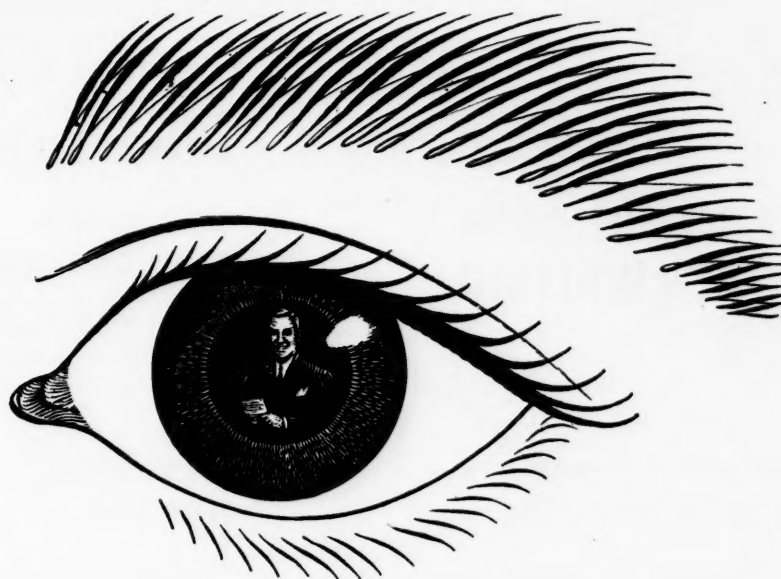


The NATIONAL UNDERWRITER

Life Insurance Edition



"As others see us"

Bard Burns' oft quoted rebuke to pride and vanity lies very close to our heart. The desire to "see ourselves as others see us" is one we are actually doing something about. We make periodic opinion surveys among the general public, our employees, our policyholders, and among the agents of competing companies to find out what they *really* think of us.

These surveys are conducted by outside research organizations. No one interviewed is quoted by name. The questions asked in a survey of competing company agents, for

example, cover such subjects as our management and financial policies, advertising, news releases and annual report . . . our service to policyholders . . . our agents, our selling methods, and our sales advantages and handicaps.

The answers we receive to these pertinent questions have always been enlightening. They have been of great benefit to us because they point out ways and means to improve our service to our policyholders, and to increase our usefulness to the thousands of communities we serve.

Our 2nd Century of Service

THE MUTUAL LIFE
INSURANCE COMPANY of NEW YORK

34 Nassau Street, New York 5, N. Y.



Alexander E. Patterson, President

FRIDAY, OCTOBER 22, 1948

It
takes
two



to build a successful career in LIFE UNDERWRITING

THE representative and the company are a team working together for mutual success.

Step by step, Great Southern's program of cooperation and assistance carries the representative ever closer to his goal of personal success as a career life underwriter.

The newcomer, upon completion of home study courses in life insurance fundamentals, becomes eligible for the home office basic school of practical life insurance selling. For the experienced underwriter there are continuous refresher courses as well as periodic home office training designed to keep him abreast of the times, insurance-wise.

Every Great Southerner receives individualized cooperation; personalized selling helps, plus the wholehearted support of a home office that is keenly aware of its responsibility to the representative.

GREAT SOUTHERN

Life

INSURANCE COMPANY

HOME OFFICE HOUSTON, TEXAS

A Greater Opportunity May Await You With Continental Assurance

Continental Assurance . . . one of America's fastest growing life insurance companies . . . is today rapidly approaching the mark of a billion in force. Such immense progress has created new, outstanding opportunities for experienced life insurance men who seek richer futures.

POSITIONS NOW OPEN

SALARIED SUPERVISORS Intensive cultivation of territories from coast to coast permits constant expansion of our staff of state supervisors. Salary plus incentive increase plan. Complete welfare program provided.

GENERAL AGENTS Producers with executive and organizational ability are invited to investigate the possibilities of a valuable Continental Assurance franchise. Policy equipment is unsurpassed. Cooperation and proved building formula is provided by Home Office. Attractive commissions and unique pension plan.

DEPARTMENT MANAGERS Prominent multiple line agencies, anxious to serve the life insurance needs of their clients, have asked assistance in finding capable, experienced men to head up their life insurance departments. We consider these positions to be among the finest, most lucrative opportunities in the life insurance field today.

Find out what Continental Assurance has to offer you. Costs you nothing. May benefit you tremendously. Send a complete record of your background, life insurance production and experience. All replies confidential.

Agency Department

CONTINENTAL ASSURANCE COMPANY

310 South Michigan Avenue

Chicago 4, Illinois

Over \$300 Million Increase in Insurance in Force Last 24 months

N. Y. Charges Rate Discrimination In Compulsory States

Charges of Cuts in Disability Rates Seen to Refer to N. J.

Raymond Harris, deputy superintendent and counsel of the New York insurance department, has ordered immediate discontinuance of "price discriminations against New York state policyholders" in states having compulsory disability insurance laws. He has charged in a ruling that group A. & H. is being written in the states at a discount of 15% from the basic rates in violation of the New York insurance law.

The New York department comments that only a limited number of companies have been offering the discount. Laws in the two states require all employees to be insured, either through private companies or in a state fund. The department states that this requirement is believed by some underwriters to result in economies in collection and administrative expense, but says there are also offsetting factors, such as special assessments levied on the insurers for the compulsory system. Mr. Harris maintains that the discount granted cannot be supported by alleged expense savings.

The text of the departmental order runs as follows:

"It has come to our attention that group accident and health insurance policies are being written in states other than New York by a number of authorized insurers at premium rates which are lower than those charged in this state for comparable insurance benefits. These lower premium rates are being charged for policies written to provide coverage under compulsory disability insurance laws. In some instances the premium rates are 15% lower than the basic rate and in other instances they are graded according to the size of the group.

No Factual Proof Presented

"No factual proof has been presented to justify these differentials in premium rates and in view of the relatively short period that such laws have been in effect it is doubtful whether such proof is available. Moreover in view of the relation which the accident element bears to the premium for group accident and health insurance it is quite obvious that the differential cannot be accounted for by savings in expense of administering this type of business. Furthermore by reason of the factors peculiar to this form of insurance such as the lag in premium collections and development of true claim experience and the contingent obligations which may be incurred under compulsory laws the class of coverage may prove to be higher than that under policies not subject to such conditions.

"It is the department's opinion that the writing of group blanket accident and health policies in this state at premium rates which are higher than those charged in other states for comparable benefits constitutes an unfair discrimination and a violation of section 209 of the New York insurance law. The commission of an act prohibited by section 209 is also one of the defined acts and

High Court Won't Take CIO Suit for Retroactive Pay

WASHINGTON—In refusing to rule on the appeal by the United Office & Professional Workers, CIO, in its suit for retroactive pay increases aggregating \$792,318, the U. S. Supreme Court in effect sent the case back to state court for decision. Metropolitan granted a pay increase under a war labor board order but declined to make it retroactive because of a state law which prohibits paying any commission higher than that agreed to in advance.

practices enumerated in section 273 as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance. In the event that your company is charging such discriminatory premium rates you are to take immediate steps to remove the discrimination."

N. J. SITUATION

There are strong indications that this order is aimed at the situation in New Jersey where rates are highly competitive on TDB coverage. There are those who indicate that discounts of more than 15% are being allowed in certain cases.

Such discounts are apparently not based alone on competitive factors, however, and there are experienced underwriters who say they are sound. They point out that in New Jersey there is no maternity coverage, a factor which they say should permit at least a 5% reduction in rates. In New Jersey 100% participation is the rule and when 51% of employees sign up for a voluntary plan, it carries all of them into it. To underwriters, this 100% participation is counted a very important reason for reducing the rates and some assign to it credit for a 10% reduction or more. They claim the last 25% of a group is the portion on which there is the best experience and 100% participation balances out any anti-selection which is inherent even in a 75% enrollment. Administrative savings under the plan are held to be substantial. In the case of a new coverage like this, there are those who assign to underwriting judgment a strong weight where there is little experience to base rates upon.

There is considerable opinion to the effect that the companies will demand a hearing before the New York department in which to outline their side of the story.

It is certain that the order has a far reaching effect, particularly upon the large life companies which do business in New York state. It is pointed out that unless the dilemma is resolved, companies not operating in New York state will be given a great competitive advantage.

Much Conjecture Heard

The New York department's challenge of the New Jersey rate practices opens a great many questions and there is currently a lot of conjecture as to where this may lead. For one thing it raises the question of whether a state may invoke its anti-discrimination law extraterritorially. Seeking an analogy, the point is made that the situation would be comparable to one in which, under a uniform fire insurance rating plan countrywide, one state would invoke its anti-discrimination statute because of a rate reduction of, say, 15% that was ordered by the insurance commissioner of another state.

There is a good deal of interest in
(CONTINUED ON PAGE 19)

Sept. Sales Show 1% Rise for Sept. and 1st Nine Months

Life insurance sales for September showed an increase of 1%, according to L.I.A.M.A. September sales were \$1,593,460,000.

Ordinary sales in September were \$1,077,735,000, up 3%.

Industrial amounted to \$330,875,000, up 2%.

Group was \$184,850,000, down 13%. Group purchases represent new groups set up and do not include additions of insured personnel under group insurance contracts already in force.

In the first nine months sales were \$15,898,876,000, an increase of 1%. Ordinary accounted for \$10,803,085,000, only slightly ahead of 1947. Industrial represented \$3,124,512,000, also a slight increase. Group amounted to \$1,971,279,000, up 1%.

September aggregate figures were 59% over September, 1941, the last pre-war year, while September ordinary was up 85%, industrial was up 27% and group 14%.

For the nine months, sales were up 89% over 1941's first three quarters. Ordinary was more than 100%.

Myers N. Y. Life Executive V.P.; Others Advanced

NEW YORK—New York Life has elected Clarence J. Myers, who has been vice-president since 1946, as executive vice-president. He succeeds John S. Sinclair, who resigned some months ago. Mr. Myers was elected secretary in 1942. William V. Herbert and James T. Phillips, who were appointed assistant actuaries in 1929 and actuaries in 1937, have been made deputy chief actuaries. Mr. Herbert has been with the company since 1901. Mr. Phillips joined the company in 1921.

William F. Stokum, chairman of the insurance committee, becomes assistant vice-president.

H. E. Woodruff, manager of the investment department, becomes assistant treasurer.

Grant A. Martell, assistant manager of the investment department, becomes manager.

Dr. Murray F. Bell, chief home office medical examiner since 1946, becomes assistant medical director.

Herebert W. Miller, a division head in the auditing department, has been promoted to assistant deputy auditor.

Lovejoy Addresses Group

Thomas E. Lovejoy, Jr., 1st vice-president and treasurer of Manhattan Life, was guest lecturer at the company-sponsored business insurance course attended by general agents, agents and supervisors from the metropolitan New York area. He covered the problems of property, discussed life insurance as good property, and analyzed common stock investments and the characteristics and problems of bonds, and dealt with real estate and building and loan shares.

Course Began Last Spring

The business insurance course, started last spring under the direction of Hermine R. Kuhn, home office first field assistant, resumed activity on Sept. 26 after a vacation during the summer months.

Monetary Affairs Committee Meets with Sec. Snyder

But Treasury Denies It Will Ask Companies to Stop Selling Governments

WASHINGTON—The monetary affairs committee of the Life Insurance Assn. of America and American Life Convention met here Monday with Secretary Snyder. This committee has met from time to time with the Secretary and other Treasury officials on national debt problems, departmental fiscal program and policy, bond issues and interest rates thereon, and related matters.

Life insurance representatives who attended would not comment on what was discussed at the conference and said that any statement about the meeting would have to come from Secretary Snyder.

Treasury Department Statement

The Treasury Department issued this official statement:

"Secretary Snyder held one of his periodical conferences recently with the joint committee on monetary affairs of American Life Convention and Life Insurance Assn. of America.

"At the conference Treasury officials brought the insurance group up to date on debt management studies and programs and, in turn, discussed with the insurance executives the general credit field and the condition and prospects of the insurance business. The insurance group again assured the Treasury Department of their continued cooperation in fiscal matters."

A Treasury spokesman indicated that the purpose of the meeting was not to get the companies to refrain from selling long-term government bonds and specifically denied rumors that life company executives would be called in and asked to stop selling governments.

Meet on Savings Bond Drive

Monday and Tuesday there was a meeting of Treasury officials and voluntary advisory chairmen of the savings bond division to discuss plans for the savings bond campaign to be conducted Nov. 11-Dec. 11. Life companies will cooperate in this drive, it was said. Life company representatives on hand included Walter W. Head, president of General American Life, a member of the monetary affairs committee, and E. A. Robers, president of Fidelity Mutual Life. Others present were bankers, industrialists, business men and publicists.

Secretary Snyder addressed the meeting Monday, briefly reviewing the important role of savings bonds in Treasury fiscal policy and reemphasizing the need of spreading the public debt among as many individuals as possible.

Bishop, Jr., a Full Partner

J. W. Bishop, Jr., supervisor in Northwestern National Life's Chattanooga agency, has been made a full partner with his father. Mr. Bishop graduated from the University of Chattanooga in 1936 and served in the navy from 1941 through 1945.

Agency System Is Atomic Power in Insurance: Skoglund

With the amount of U-235 held by the United States the greatest power in the world today, it is to world power what the agency system is to the insurance industry, a highly potent factor in individual security, H. P. Skoglund, president of North American Life & Casualty, told Chicago A. & H. Assn. at its October meeting Tuesday.

"As salesmen of security, guaranteed at no cost to the individual's personal liberties, we can congratulate ourselves on having become a powerful force in public welfare," Mr. Skoglund said. "In the development of the agency system for the A. & H. business we have a sound system. We are an important instrument in making the free enterprise system work." He warned, however, that there is still much to be done. "We are big business, which means we have power to do a good job in a big way or to do a poor job in an equally big way."

He said that it's chiefly a selling job, but it is more than selling one policy and going on to the next prospect. "It's selling yourself on the broader concept of A. & H. objectives. It's selling the institution as such. It's giving yourself what it takes to sell—adequate training and a thorough grounding in fundamentals. It's selling volume, yes, but selling, first of all, a quality product for which no apologies are needed."

Mr. Skoglund said that up until a comparatively few years ago the primary objectives of company operations was profit. "Will it make money for us?" was the big question. Changing conditions, however, have necessitated a new approach to the whole field of public service, so that the question will be not that of profits but the effect on the public interest.

The structure in the main has been well built but there is a small amount of shoddy workmanship that must be torn out and replaced "There is no place in the A & H business for jerry-builders," he said "There is no room for men who don't know their business, who assume no responsibility for the product of their labors"

As individualists selling security, the question sometimes is asked whether that function couldn't better be handled by government. Mr. Skoglund declared that, in addition to destroying initiative, government in business has been a dismal and disgracefully costly failure every time it has been tried.

There was an unusually large attendance, augmented by a large number of the company men who were attending the underwriting forum of H. & A. Underwriters Conference. Reports were given on plans for the banquet Nov. 18, which is to be a memorial for Harold R. Gordon, with V. J. Skutt, conference president, as the chief speaker, and the orphans' Christmas party Dec. 21. President Irving Wessman spoke of the latter affair from the public relations standpoint and urged that the visitors commend the idea to their companies and their local associations.

Reinsures Cooperatives

Homesteaders Life of Des Moines has taken over policyholders of 14 cooperative assessment benefit associations in Minnesota. The action involved issuing new policies to about 30,000 members of the various societies, located at Minneapolis, St. Paul, Fari-bault and Willmar.

Negotiations have been in progress for two years and have been approved by the Iowa and Minnesota departments. It was understood the assessment co-ops had been encountering difficulty in meeting their obligations, because of use of a non-standard mortality table.

Program Is Given for LAA Annual Meeting

The Life Insurance Advertisers Assn. has announced the tentative program for its annual meeting Oct. 28-30 at the Mayflower hotel, Washington. The meeting theme is "Broadening Our Horizons."

Thursday, Oct. 28

Morning: Greetings from the president, C. Russell Noyes, Phoenix Mutual.

"Your Program," William L. Camp, III, Connecticut Mutual, meeting chairman.

"Advertising and Your Agents," Charles R. Corcoran, Equitable Society, presiding.

"More Strings to His Bow," George P. Shoemaker, general agent Provident Mutual, New York City.

Symposium: "What LAAdmen Can Do to Help Solve Some of the Field Man's Current Problems": Frank Weldenborn, vice-president Guardian Life, chairman; William C. Gentry, manager of sales promotion, New England Mutual; H. M. Kennedy, director of advertising Prudential; Ward Phelps, director of training Mutual Life; Robert Sampson, advertising manager Mutual Benefit.

Business meeting.

Afternoon: Formal inspection of exhibits in the promenade.

"Advertising and You," John H. Warner, Aetna Life, presiding.

Presentation of awards by George H. Kelley, New York Life, chairman exhibits committee.

Panel: The judges will give their comments on the exhibits. Mr. Kelley will be chairman.

"Modern Trends in the Graphic Arts," W. D. Molitor, director of sales Edward Stern & Co., Philadelphia.

"The Role of LAAdmen as Seen by Management," Vincent B. Coffin, vice-president Connecticut Mutual.

Evening: President's reception, Chinese room. Buffet supper, ballroom.

Friday, Oct. 29

Morning: Arthur F. Sisson, advertising manager State Mutual, presiding.

"A Few Morose Remarks," Charles E.

Crane, assistant to the president National Life of Vermont.

"Advertising and Your Employees": "The G. E. Program," L. Byron Cherry, manager of employee and community relations for the affiliated manufacturing companies department, General Electric.

"The Role of the LAAdmen in the Field of Employee Relations," H. G. Kenagy, vice-president Mutual Benefit Life.

"Advertising and Your Policyholders." Panel: "What's Going on in the Field of Policyholder Relations?" W. A. Hand, supervisor field service Confederation Life, chairman; Seneca M. Gamble, advertising manager Massachusetts Mutual; Mary F. Barber, assistant vice-president Penn Mutual; Harold Brown, advertising manager Imperial Life.

"The Open Book," a film about the annual statement of Metropolitan Life.

Saturday, Oct. 30

"Advertising and Your Public," William L. Camp, III, Connecticut Mutual, presiding.

"Tested Advertising Methods," John Caples, vice-president Batten, Barton, Durstine & Osborn, New York City.

"Radio as a Member of the Sales Team," Leslie R. Shope, advertising manager Equitable Society.

"How to Win Friends Among Reporters and Editors," Harry Barsantee, supervisor news bureau, Travelers.

Additional subject and speaker to be announced.

Annual meeting luncheon. Installation of officers. Speaker: Bryan Houston, director of information, Economic Cooperation Administration.

Issues Polio, Other Diseases Cover

Alliance Life has issued a new sickness policy covering polio, tetanus, encephalitis, leukemia, spinal meningitis, scarlet fever, diphtheria and smallpox at a rate of \$5 for a single person and \$10 for a family group. The policy provides up to \$5,000 for three years' treatment covering doctor, hospital and nursing services, drugs and appliances.

N. Y. Branch Office Employees Who Sell Gird for Exams

NEW YORK—Section 133 of the New York insurance law, which was enacted at the last session of the legislature to require insurance clerks in saving banks to pass an examination on their knowledge of insurance, has been interpreted to mean that agency cashiers and clerks who are office employees rather than employees of the general agent must be similarly certified as to their insurance knowledge if they negotiate applications for life insurance or annuity contracts.

Section 110 of the law made it unnecessary for a regular salaried officer or employee of an insurer to qualify as an agent provided he does not solicit or accept applications outside of the office and does not receive commissions based on the amount of business done. However, the new section 133 makes it necessary for "any officer or employee of a licensed insurer or of a savings bank other than a duly licensed agent" to be certified as to his capacity and trustworthiness by the superintendent.

The section takes effect Jan. 1, 1949, and Spencer L. McCarty, executive secretary of New York State Life Underwriters Assn. has written to local association presidents suggesting that cashiers and clerks to whom the section applies take courses to prepare themselves for the Nov. 16 or Dec. 14 state examinations. The state association suggests that local organizations organize classes and suggests the use of "Life Agents Qualification Handbook" published by the Rough Notes Co. of Indianapolis. The information the applicants will be examined on is identical with that printed in the syllabus found in the supplement of the handbook.

Zone 2 Commissioners Hear Plans for National Blue Cross Stock Company

Plans for the organization under Illinois laws of a stock insurance company titled "Blue Cross-Blue Shield Health Service, Inc." were explained by a representative of the Blue Cross and Blue Shield at the zone 2 meeting of National Assn. of Insurance Commissioners at Columbus last week. The representative explained that the plan is in the formative stages and will be perfected at the annual meeting of the Blue Cross organization next week at French Lick. Generally, the company would provide coverage for employees of national firms with uniform rates and uniform minimum benefits. It would be a non-profit corporation.

John A. Lloyd, vice-president of Union Central Life, was toastmaster at the dinner, at which speakers were J. E. Larson, Florida, president of N.A.I.C.; Commissioners Bowles of Virginia and Shield of Ohio; F. J. Milligan, Ohio director of commerce, and Harry E. McClain, former Indiana commissioner and now secretary of the Indiana Assn. of Insurance Agents.

All-Industry Parley Sought

Efforts are being made to arrange a meeting of the conference committee of the all-industry committee to take up the matter of federal trade commission laws at the state level and mail order insurance activities. The all-industry committee was asked to resume operations by National Assn. of Insurance Commissioners, in view of the questions that have been raised as the result of the possibility of federal trade commission calling a trade practice conference on mail order insurance. An effort will be made to get the all-industry conference committee together on this subject prior to the commissioners' meeting at New York in December.



REPEAT SALES

The efficient and skilled underwriter realizes that his present policyowners are his preferred prospects and therefore secures an appreciable and steadily increasing volume of business from repeat sales.

The policyholder of good earning power, who knows the benefits and advantages of life insurance, tends to buy ten to twenty policies during his lifetime, most of them when he is between the ages of 20 and 50. This means that policyholders of the upper income groups will, on the average, buy about one policy every three years across a thirty year period.

In other words, if your policyholders are of this income group, you can expect to make a repeat sale each year for each three policyholders.

Examine your records and determine your ratio of repeat sales. If you are not securing a proper number, then it behooves you to find the cause. In so doing, you will probably find the sales are there—waiting for you!

Insurance in Force—August 31, 1948—\$374,756,352

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE

Signalize Billion Dollar Achievement of Continental

Attainment of the \$1 billion insurance in force stature was signalized by Continental Assurance at a banquet during the annual agency convention at Chicago during which messages of congratulations and observations on the significance of such a record were made by Gov. Green of Illinois, U. S. Senator Brooks of that state and Insurance Director Parkinson. Also seated at the head table were the Continental Assurance directors and Edward Eagle Brown, president of First National Bank of Chicago.

The program was characterized by the punch that marks the operations of Continental. The headline speakers were there as scheduled, they spoke in gracious vein but briefly and President Roy Tuchbreiter who presided, brought the proceedings promptly to a close at 9 p. m., for the professional entertainment. The occasion was one in which the facts spoke for themselves and oratorical chest thumping was held to a minimum.

Mr. Tuchbreiter remarked that Continental Assurance is the first Illinois company to reach the mark of \$1 billion life insurance in force and there are but 29 companies in the country of that stature. He said that the official family is not complacent. It possesses an overwhelming desire to win and is not resting on its oars.

The combined assets of Continental Casualty and Continental Assurance are \$220 million and their income is some \$125 million annually. They comprise the largest institution of its kind west of Hartford, he declared.

Asset for the State

Gov. Green said that the record of Continental Assurance is in keeping with the American way of doing things. It is an important asset for Chicago and Illinois. He praised the management as being alert and as being possessed with a deep concern for policyholders.

Gov. Green contended that some credit for growth of the institution must go to the rigid and exacting insurance code of Illinois and its administration. The code is vitally important to the public, he declared, especially insofar as it is a safeguard of the people's investments. Good laws and good enforcement bolster public confidence in insurance.

He complimented Continental Assurance as being the first company to enter into a housing project in Illinois under the special Illinois law. Continental made an investment of \$3 million in housing at Elgin. This was progressive action to meet a grave public need, he declared.

Gov. Green also praised Mr. Tuchbreiter for his services as chairman of the state employment retirement system. This program has been successful in no small measure due to the counsel of Mr. Tuchbreiter. This, he characterized as the best kind of public service. He said Mr. Tuchbreiter is one employee of the state that is not on any payroll.

Senator Brooks Message

Senator Brooks referred to Continental Assurance as a fundamental institution that helps to guarantee the preservation of civilization and as a living example of those things "we hope to keep alive for posterity."

Mr. Parkinson spoke of the long term commitments involved in a life insurance sale. He said that some of the

(CONTINUED ON PAGE 19)

Name 12 Judges for LAA Exhibits

Twelve judges instead of the usual five will review the highly competitive exhibits of advertising and sales promotion material at the Life Insurance Advertisers Assn. annual meeting at the Mayflower hotel in Washington, D. C., Oct. 28-30. The exhibits are always an outstanding L.A.A. feature.

Increasing the number of judges from five to 12 will enable them to devote more time to the scrutiny of the material offered, according to George H. Kelley, New York Life, chairman of the exhibits committee. Under the new set-up every type of exhibit will be judged by four specialists who are particularly well equipped to appraise material in the field.

A total of 237 exhibits has been entered this year as against 202 last year. An employee classification has been included for the first time.

Judges will include Paul H. Bolton, public relations counsel, Washington, D. C.; Lester Douglas, director of art and printing, "Nation's Business" and Chamber of Commerce of the United States; H. Cochran Fisher, Aetna Life agent, Washington, D. C.; Frederick W. Floyd, executive secretary, American Society of C.L.U.; Irving D. Foos, business writer, Washington Bureau, Buffalo "Evening News"; Richard N. Ford, assistant director in charge of publications, L.I.A.M.A.; Maurice F. Hanson, vice-president J. Walter Thompson Company; Charles F. Merz, executive secretary Philadelphia Life Underwriters Assn.; Charles W. O'Donnell, manager Guardian Life, Washington, D. C.; Troy M. Rodlun, consultant in direct advertising and sales promotion, Washington, D. C.; John H. Smith, Jr., advertising and sales promotion manager, Bureau of National Affairs, Washington, D. C.; George G. Steele, advertising director Philadelphia "Bulletin."

State TDB Better Than Private Plans for Some Types of Groups: Whittaker

NEW YORK—State temporary disability plans are better in some instances than private plans,

said Edmund B. Whittaker, vice-president of Prudential in a talk to advanced insurance students studying at the City College of New York under the direction of Martin E. Segal, New York group and pension plan consultant.

Mr. Whittaker illustrated his statement by pointing to the building industry, where there is a continuous flow and ebb of workers, as well as a seasonal rise and fall that would make the application of private coverage for temporary disability extremely difficult if possible at all. Another example he offered is the employer who is always in arrears with tax payments, of which there are 4,000 in New Jersey. These employers would probably be no quicker to pay in the necessary contributions to a private group plan. With such employers the state government is more fully prepared to cope than a private company.

U. S., China, India

The United States, China, and India are the only three big countries without national sickness insurance, Mr. Whittaker went on. Even with private group plans now in existence, union plans, and white collar salaries that ordinarily continue during an employee's illness, 50% of the worker population has no temporary disability coverage. Cash sickness benefits are as logical as workmen's

compensation and old-age insurance, he declared, and will probably come to every state. Washington, Illinois, Nevada, Wisconsin, Massachusetts, and New York will install state plans in the very near future, he predicted.

When asked about the feasibility of a temporary disability plan at the national level, Mr. Whittaker pointed out that it would be impossible to set minimum benefits which would apply nationally. In New York for instance \$25 dollars a week might be considered a minimum subsistence level, while the same figure in one of the deep-south states would be more in many instances than the weekly salaries of many individuals. On this same point Mr. Segal further pointed out that at the state level an integration of welfare plans is possible, while at the national level integration would be impossible.

Level Group Commissions Prove Increasingly Popular

The level scale of group commissions generally paid by casualty companies is being adopted to an increasing extent by the life companies for all types of business. Some companies encourage the practice wherever possible through mutual agreement with producers. Many see considerable advantage in doing away with the large first year commission traditional with the life companies and spreading the same credit over the renewal and service years.

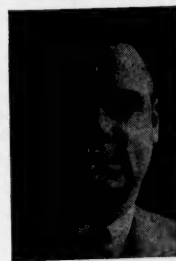
Most life companies have been paying a 20% first year commission, graded downward with the size of the risk. The life companies vary on renewal commissions, but 5% is normal for nine years with some paying renewals for as long as the business renews. There are various service fee arrangements also in effect.

The casualty company level scale amounts to from 7 to 10% per year as long as the business renews. Among the advantages which the life people are now discovering for this system is that it keeps down the first year premium and enables a better initial cost to be quoted. Both of these factors are important in the highly competitive field. The first year is the crucial one in the group business and the 20% commission can have the effect of boosting a rate to a point where the client is dissatisfied. Many agents prefer the level commission plan because of the income tax advantage it brings them.

Also competition-bred are situations in which producers are obliged to accept less commission than in the past. There are company men to be found that say that the commissions situation in the group field could stand reexamination with a view to lowering them generally. They say that the commissions now drawn are excessive in the light of the part the agent or broker plays in the writing of group. Naturally the producers have no sympathy for this sort of talk. They maintain that as creative salesmen they occupy the major role in placing group and, if anything, their commissions should be revised upwards.

McCormack May Retain Job

NASHVILLE — Political observers, giving Roy Acuff, Republican candidate for governor, a good chance to be elected, say that he would most likely retain Commissioner McCormack, if he wants the post. Should he decline, Charles Houston, deputy commissioner, is given an excellent chance. If Gordon Browning, Democratic nominee, is elected he is expected to name Walter Britton, Phoenix Mutual, Knoxville, as commissioner, but it is doubtful whether Mr. Britton would give up his agency to take the job. He served under Browning when he was in office about 11 years ago. The election is Nov. 2.



E. B. Whittaker

Mum's the Word

Sadler Hayes, of the Penn Mutual's Carr R. Purser Agency in New York City, says:

"Back of our selling of life insurance is a tremendous amount of drive. We have to conduct the interview, we have to put forward the ideas, we have to win a man's confidence. In other words we have to carry the ball pretty much all the time. However I have learned over the years that listening pays me the greatest dividends.

"I find it difficult, however, when I am trying to put over a point to stop my conversation and listen. But here is where your prospect determines himself and you learn exactly what is on his mind. If I will only do this—stop—even though it hurts and even though I find it difficult, I eliminate many problems and I find out what is on the prospect's mind."

• • •

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Personnel Erosion Compelling Static Agencies to Recruit Younger Talent

An interesting current phenomenon is that some of the relatively static and well established agencies which have done almost no recruiting since the war are engaging in campaigns to hire younger men. A surprising number of agencies, staffed by older agents, were relatively unaffected by the war and quickly recouped what personnel losses they did have when their men returned. These agencies are eminent examples of the stability that the concept of career life selling brings.

Each member of such agencies is a substantial producer with a large clientele. The heads of such agencies saw little purpose in recruiting after the war. Plus that it had been years since they had had much experience in recruiting and training and they were not set up to do a job of this sort. What has finally driven them to looking for new men at this date is best described as personnel erosion, the dropping out of veteran producers for natural reasons, death, retirement, disability, and the comparative affluence which makes regular production unnecessary.

One such agency has got itself a supervisor for the first time in many years. Under the traditional setup, there has been no reason for any direction other than that through the general agent, because the men are veterans at life insurance selling who need only nominal guidance. This new supervisor is a young man with a great deal of academic and practical experience in training new men. For the first time the agency has on its payroll a man whose specific duties are recruiting and training. In this particular agency, erosion has set in so deeply that within the past year the agency has lost three of its best men, one through death and the others through virtual retirement.

Suddenly Aware of Toll

The general agent realized suddenly that within the next five years he stood to lose most of his agency force of 17 veteran salesmen either through retirement, disability or death. They were all of an age when such possibilities had to be recognized. He immediately set about formulating plans to bring in the

new blood which he had forgotten that every agency needs.

In one sense, belated recognition of the need for new men has its advantages, because the recruiting market has now stabilized as compared to the days of the mass deluge of young men immediately following the war. Today the agencies seldom hire a man under 25 years of age and he is usually more than 30. The agency manager who wants to recruit finds before his desk men who have some record of accomplishment behind them either in life insurance or some other industry that can stand up under evaluation. He no longer has to puzzle over whether the fact that a lad was a colonel in the air corps is any indication that he will be a success in a civilian pursuit. The colonel has had a chance to win his wings in civilian life and it may turn out that he is just a private.

Number Prove Self as Agents

Whether proselyting rears its head or not, it is obvious that a potent source of agency recruits these days are men who have established themselves as good life insurance producers but who are dissatisfied with their connection. They, of course, are the men who are the easiest to fit into an established agency. Of course, the incentives offered those who are already in the life business must be considerable to offset whatever loss of renewals or clients they will suffer because of the shift from one company to another.

In many ways the man who has been a success in some other business, but is dissatisfied with it because of financial horizon or his chances of recognition is an outstanding prospect as a recruit.

Nor is it just the agencies with a nucleus of older men that are recruiting these days. Personnel erosion is continuous and by this time the last of the post-war mistakes of many an over-ambitious agency are being weeded out. Sales are now harder to make and this is doing the trick. Perhaps the time is over, if it was ever really here, when an agency can go along for months and even years without any change in its personnel.

Metropolitan, Equitable Receive Magazine Awards

NEW YORK—Metropolitan Life and Equitable Society are scheduled to receive bronze "Oscar of Industry" awards this week at the annual banquet given by "Financial World" to honor those companies producing the most attractive and readable annual reports for 1947.

The Equitable Society award is for the best advertising of its annual report. A second award will go to Metropolitan for the production of a motion picture for employees illustrating the company's annual report.

Though all industries, composed of 962 American and Canadian corporations, are represented in this year's contest, Metropolitan and Equitable Society are the only life companies winning awards this year.

Proration Clause Applies

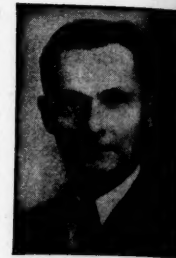
The proration clause in an A. & H. policy, in the absence of any language to the contrary, applies to the death benefit portion of the policy as well as the disability benefits, the New Mexico supreme court ruled in *Floek vs. United Benefit Life*, reversing the Quay county district court. The plaintiff collected under one policy but found that the second policy contained a provision for proration of benefits unless written notice of other insurance had been given the insurer. The policy was purchased by the wife and the insured died without knowing he was covered.

Oliver F. Stone, formerly of Wichita, has been appointed assistant manager, of Prudential at Arkansas City, Kan., succeeding Otto Hall, retired.

Pays for Million in His First Year

Production of \$1 million of paid business his first year in life insurance is the record of Milo R. Roberts, who represents Franklin Life at Hettinger, N. D.

Mr. Roberts entered life insurance with Franklin Life Oct. 1, 1947, and immediately set a record. In the annual president's birthday drive during November he paid for \$224,250 volume to win a top prize, a trip to the dedication of the Franklin new home office addition last February. Continuing this pace, he qualified for the "60 Club" with 60 sales within the first 27 days of 1948. With just five months' production he paid for over half a million dollars of business to qualify for the top convention in Havana, Cuba, in April. Mr. Roberts makes his headquarters in a sparsely settled community of 1,138.



M. R. Roberts



"—AND HAVE JUST RECEIVED HIS APPLICATION FOR \$50,000 WITH CHECK FOR ANNUAL PREMIUM OF OVER \$3,000."

Thus begins Albert Straub's letter to Ed Stepp, Director of R & R's Supervised Study Division. "This case was secured almost entirely on the basis of information and procedure derived from the R & R Tax and Business Course," continues Mr. Straub of Harrisburg, Pennsylvania.

And in the same mail comes this interesting letter from M. L. King of Baltimore, Maryland, who has just completed this profitable course of study: "When I become a General Agent I will certainly insist that my agents take the R & R Course. You have given me a boost when needed, and your cooperation has been superlative in every respect. I have appreciated the extra material you've sent. The Paul Speicher Letter, "Translating Wishes Into Economic Facts," aided me in securing \$70,000 in business this month, and I want to pass on my thanks."


By way of reply, our Ed says, "I AM ALWAYS A ONE-MAN CHEERING SECTION FOR ALL OF MY FINE STUDENTS, WHO I CONTENT ARE THE FINEST PEOPLE IN THE WORLD!"



PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

• MORE PEACE OF MIND PER PREMIUM DOLLAR • OCCIDENTAL LIFE • MORE PEACE OF MIND PER PREMIUM DOLLAR •



FAMILY INCOME FOR G.I. INSURANCE

No, YOU WON'T find it in any manual on National Service Life Insurance.


But you *will* find it in the Occidental Rate Book under "Income Protection Policy".

Here, in effect, is a Family Income Rider for the G. I. policy. It pays any selected monthly income for any selected period, 10 to 50 years. No basic policy. No lump sum payment. The G. I. policy serves as the basic policy.

Many a former service man with two youngsters now playing about his home needs a Family Income Policy—but can't afford that and his G. I. policy, too.

Why not make his G. I. policy into Family Income by adding an inexpensive "Occidental Income Protection policy?"

*A 35-year old veteran can add \$100-a-month income (20 years) to his NSLI policy for a \$7.70 monthly premium.



ccidental Life
INSURANCE COMPANY of CALIFORNIA
V. H. JENKINS, Senior Vice President

"WE PAY AGENTS LIFETIME RENEWALS — THEY LAST AS LONG AS YOU DO"

HUBER FORUM

Discuss Estate Planning Pitfalls

NEW YORK—Insufficient or inaccurate information about family assets is one of the major pitfalls of estate plan-



D. B. Maduro



Solomon Huber

ning, according to Denis B. Maduro, New York City attorney and estate tax specialist. Addressing the annual estate planning forum held by the Solomon Huber agency of Mutual Benefit Life, New York City, he said that jointly held family property is too often not clarified by the estate planner. The forms and manner of bonds held, title to home and real estate, prior transfers made by client, revocable and irrevocable trusts, and possible future inheritances of the client must be determined if estate planning is to do a good job.

Mr. Maduro cautioned against prejudice in selecting method of transfer. While life insurance works well 90% of the time in estate planning there are other methods that would serve the client better in the remaining 10%. Attorneys tend to be prejudiced in favor of wills, he said.

Huber for Discretionary Trusts

Mr. Huber said agents should familiarize themselves with discretionary common trust funds, a modern device which has solved the problem of the small estate owner who wants to set up a trust but who has been prevented from doing so because his estate is not large enough to be acceptable to a corporate fiduciary.

Agents should determine institutional rules for payment before ordering income settlement agreements, he said. Many institutions prefer quarterly payments over monthly payments.

Mr. Huber pointed out that more and more companies are effecting means for paying off on business insurance in the form of income. There are several advantages to such a method. The proceeds are excluded in computing the decedent's estate tax. They are included in the cost basis of the survivors in the event of the sale of respective interests following the death of a member. Normally proceeds payable to a beneficiary other than the estate are free of claims of creditors of the insured. Proceeds received in the form of income are free from the claims of the beneficiary's creditors to the extent provided by law. Specific performance is also guaranteed.

People's Need for Shock Absorber Urgent: Bell

Every person who earns money is entitled to keep and put away a part of every dollar of his income, N. Eric Bell, president Illinois Assn. of Life Underwriters and state manager for the State Farm companies, told the Quincy association at luncheon meeting.

Under present conditions, he said, it is practically impossible for a man to set anything aside to build an estate except through life insurance, and the life insurance institution is the only one which is concentrating on keeping people financially sound.

Mr. Bell warned that unless the people have a shock-absorber of liquid assets between income and expenditures both in personal and national financing,

the "boom and bust" cycle will continue. He said life agents are the most important group today because they are trying to sell the people the idea of saving first, instead of last.

Pre-N.A.I.C. Gatherings

Several meetings of interest to the life people will be held in New York City the week preceding the commissioners convention there. On Dec. 7-8, the Assn. of Life Insurance Counsel will hold its annual gathering. The Life Insurance Assn. of America will hold a board meeting Dec. 8, a cocktail party that evening, and the annual meeting on Dec. 9. The Institute of Life Insurance holds its annual gathering on Dec. 10.

Zone 4 Men Confer

At the meeting of Zone 4 commissioners at St. Paul there was formed an organization of rating personnel of the various departments, somewhat similar to the rating conferences that have been formed within other zones.

Commissioner Forbes of Michigan who was planning to stop at St. Paul after attending the Canadian insurance superintendents meeting, was unable to

do so because he was called home when his 92 year old mother suffered a broken pelvic bone.

Armand Harris of Minnesota, chairman of the zone, presided. The local companies provided hospitality both evenings that the commissioners were in the city.

There were 42 present representing all eight states in the zone. The commissioners present were Harris, Sonderegger, Wisconsin; Mueller, South Dakota; Pearson, Indiana, and Krueger, North Dakota. Deputies represented Illinois, Michigan and Iowa.

Hedges Agency 1st in Sept.

Kansas and northern Oklahoma agents of the Bert A. Hedges agency of Business Men's Assurance attended a meeting at Wichita to celebrate the attainment of first place for production in September and to be schooled on the company's new hospital and nursing services policy. Purchasers of individual family contracts are now eligible for the coverage, heretofore issued only on the group plan.

Horn Wins President's Trophy

Raymond B. Horn of Lamar, Colo., won the president's trophy of the Leaders Club of Security Mutual Life of

Lincoln, Neb., and Wedell P. TeSelle won the vice-president's trophy. Arthur N. Smith of Denver has been made secretary of the club.

Life Men on Office Management Program

H. A. Finley, manager of the management research department of Metropolitan Life, will discuss "The Research Approach to Management Planning" at the conference on office management problems of the American Management Assn., Hotel Pennsylvania, Oct. 26-27, New York City.

Louis R. Menagh, Jr., vice-president and comptroller of Prudential, will give a paper on "Budgetary and Staff Control." Timothy W. Goodrich, chief of unit costs, personnel department, Aetna Life, will discuss "An Approach to Office Cost Accounting," and Herman Knauss, planning supervisor of Mutual Life, will talk on "Standardizing Forms Control."

Gregory Speaks at Seattle

E. F. Gregory, Business Men's Assurance, Denver, president of National Assn. of A. & H. Underwriters, addressed Seattle A. & H. Underwriters Assn. on "The Seven Keys to Closing."

These FAMOUS STARS...



Gregory Peck



Barbara Stanwyck



Robert Taylor



Ginger Rogers



Bette Davis

... need no introduction. Every week one of these great artists will appear on The Prudential's new Sunday radio show, "The Family Hour of Stars" over the CBS network.

Like these great stars who are known to millions, The Prudential needs no introduction. Years of service, through local representatives, national magazine advertising and top flight radio shows, have combined to make "Prudential" a household name.

And because it is, our Representatives and Brokers find that the way has been paved for them—The Prudential representative is known—and accepted.

Yes, our agents and brokers know that The Prudential needs no introduction.

THE PRUDENTIAL

A MUTUAL LIFE INSURANCE COMPANY



INSURANCE COMPANY OF AMERICA

HOME OFFICE . . . NEWARK, N. J.

Analyzes Market Before Entering New Territory

NEW YORK—Metropolitan Life has found that it is considerably less costly to make an accurate and detailed market analysis of a new territory before entering it than to rely on the trial and error method of opening and staffing an office in what may later prove to be an unproductive or undesirable market. The same kind of research is necessary for the opening of a new office in territory in which the company is doing business.

Most of the information the home office research team seeks is readily available without charge in the places selected and thus the primary cost of the market study is only the team's salary, traveling and living expenses.

Much Interest in Analysis

There is a good deal of interest in the use of market analysis by life companies planning to open new territories. The following case history of such an analysis made by Metropolitan in a large southwestern city illustrated the method of survey and the importance to the com-

pany's sales division of the information obtained.

A team of three men, knowing little or nothing of the city to be surveyed, went there from the home office to do the necessary research. Two men worked in the field gathering information. The third, an expert cartographer, transposed the data to maps as it was brought in.

Guides Over-all Planning

The purpose of these maps is to guide over-all planning and arrange agent territories. Once made up it is not revised periodically. If extensive changes occur in the community new maps are made. The original is not regarded as a fixed record. It is used to determine the course of immediate action.

To serve their purpose the maps must show the geographic, economic, and social structure of the city. This includes business and residential construction information and trends; types and location of population groups; rivers, parks, main

thoroughfares, and the like that make natural boundaries for sales territories; transportation lines; and well integrated sections within the city limits.

Sources of information vary from city to city, but Metropolitan's researchers always call on the chamber of commerce. In this city the industrial department of the chamber provided information on sections within the city, location and types of population, and furnished other good sources of information.

Information from Utility

The commercial department of the power and light company made available a study it had conducted of the number of meters in the city and the average number of persons per meter. This organization also keeps records of residential and business construction, as well as construction planned for the future.

The telephone company keeps a mapped record of the telephone units in use and the approximate number of persons using each unit. These facts are indexes of population density and income levels.

The city planning commission offered information in its studies of population trends. The city zoning engineer gave the researchers the present layout of the city, and maps showing what was planned for the future in the way of parks, housing units, and other city improvements. As a part of this planning for the future the planning commission had housing studies. Such information available to the manager or agent aids in the planning of sales strategy. From it present and future logical sales areas are determined. It makes possible the arrangement of a territory which will be productive yet not too geographically large to service.

DOUBLE CHECK

Much of the information overlaps. The material gathered needs coordination. However, the overlapping allows comparison of figures on the same information as it is shown by other market information. If differences are found further research is indicated to insure absolute accuracy.

The chief of police, his assistant, and members of his staff, gave a street by street description of population types and economic levels of neighborhoods. Such information cross checked census reports of areas which do not show population types for specific streets. The police department also gave information about the living and work habits of the residents of specific areas.

The fire department provided information on buildings, those modern and fireproof, and those run down and susceptible to fire. Such information cross-checked economic level information.

The council of social agencies provided charts of health levels, crime rates, and child delinquency areas. Again these are used to check previously gathered information on the economic level and population type of given neighborhoods.

New Housing

The real estate board drew a picture of the development of new housing in the city, as well as describing current housing in specific areas. Such information corroborated the reports of the city planning commission.

Transportation lines have to be known. When a new office opens it should be in a location that is conveniently reached by the policyholder.

As this information is gathered by the two field men it is brought in daily to the map-maker. He in turn transfers it to the maps, using color and symbols. For instance, blue areas with a design of circles and triangles are business areas. Solid blue areas indicate retail outlets. Industrial sections are colored red. The high economic level residential sections are shown in purple. Yellow marks the average residential area, and brown the poor residential areas.

There is so much information to record on maps that a single map is not

large enough to hold it all. On the second map types of population are charted, again using color to designate areas occupied by the various types. In locations having a mixed population stripes of color are used to indicate the combination of types found in that particular area.

The direction of the city's growth is also put on the second map. In this instance the symbol "X" marks the expansion trends. Natural boundaries and zones are marked yet are drawn in such a way that approximately the same geographic size and population are found in each zone marked.

Using the exact center of the business district as the focal point a series of circles is drawn, each circle representing the distance of one mile. Thus it is possible to determine quickly exactly how far from the center of the business district any single point within the city limits is located. Such information is needed for good office location.

When the two maps are completed it is necessary to coordinate them not only with keys on the maps, but with text. The text is designed primarily to round out and amplify the charted information. Inasmuch as the agent working a specific territory will soon come to learn all that there is to know of his territory, this original text is designed to give him his first picture of it. In the text the percentage of houses with or without electricity, water, modern sanitary facilities, and modern conveniences are shown, as well as the percentages of tenant and owner occupied houses. Information on families is shown, such as the number of persons in a household. Married couples, and the number of children is indicated. Ages of children and the number of school attendees is noted.

Employment data is set down; the total number employed, in turn broken down into the number of male and female employees. Information is recorded on the service industries and the number of clerks and sales personnel hired by them. The number of persons in the wholesale and retail fields are obtained, as well as data on the independently occupied from the professional to the semi-skilled. All of this extra information has come from the various groups that were interviewed by the field research men.

No figure is set for the volume of business the agent is expected to write. Getting acquainted with the individual families in the area selected is the first objective. The agent's production and persistency record is maintained at all times. If an area does not seem adequate, as experience is obtained, the area lines can be changed or enlarged. On the other hand if a territory grows in production beyond the ability of the agent to both sell and service his clients, attempts are made to divide or readjust the debit.

Agents for this new southwestern territory must be natives of the state, preferably war veterans, have no previous experience in the field, and be of the sales type. They are expected to pass company aptitude and ability tests.

Those selected receive schooling in the area from home office teachers under a regular training program.

Launch Managers' Meets

The first of the two-week management conferences of Mutual Benefit Life, which have been inaugurated as a regular feature, concludes Oct. 23. There are 10 general agents now at the home office for the conference.

Tells Buyers of Group Trends

Trends in group benefit plans were discussed by Harold T. Himes, group field supervisor of Aetna Life, at the October luncheon of the Kansas City insured members' conference of the Associated Industries of Missouri.

The Milwaukee agency of Mutual Life led all others in volume and number of policies during September.

A Sales Training Program For More Successful Careers

By J. E. RAWLES, C.L.U., Director of Training

THE Reliance Training Program is largely responsible for the increasing number of successful Reliance Career Underwriters in recent years.

The first year of this Training Program is designed to develop fundamental skills in prospecting, selling, analyzing basic needs and applying the services of life insurance to these needs, using settlement options, and building proper work habits. This basic course is climaxed by the student-agent attending a Regional School at Company expense where the case method is used to review important principles of the course and to prepare for the more advanced program.

Upon completion of the Regional School, student-agents enroll in the Reliance Career Course which offers thorough training in the most important phases of the life insurance business: (1) Programming and Estate Planning, (2) Business Life Insurance and (3) Current Economic Trends. Upon completing the Career Course Reliance Representatives are well equipped to render professional service to their clients and to immediately begin preparation to attain the C.L.U. designation.

Does such comprehensive training pay? Ask any Reliance Representative.



Mr. Rawles is the author of many articles on life insurance selling. His practical ideas are based on 16 years experience in personal production and field training. Since March 1947, he has directed the Company Training Program at the Home Office.

RELIANCE LIFE

INSURANCE COMPANY OF PITTSBURGH

FIELD OFFICES: Asheville • Atlanta • Baltimore • Birmingham • Charleston • Charlotte • Chattanooga • Chicago • Cincinnati • Cleveland • Detroit • Harrisburg • Houston • Jacksonville • Johnstown • Los Angeles • Louisville • Martinsburg • Memphis • Miami • Minneapolis • Nashville • Norfolk • Philadelphia • Pittsburgh • Richmond • St. Louis • San Antonio • San Francisco • Seattle • Tampa • Washington, D. C.

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Medical Directors Ready for Meeting

The program for the annual meeting of the Assn. of Life Insurance Medical Directors at the Hotel Pennsylvania, New York City, Oct. 28-29 has been completed. Approximately 300 members, representing about 200 companies, are expected to attend. The feature of the meeting will be a symposium on atomic energy and its effect on medicine. As Dr. J. R. Robinson, medical director of Connecticut General, points out, the development of atomic energy confronts the life insurance medical fraternity with new problems, new decisions to make and new safeguards to devise.

The symposium will feature Herbert M. Parker, director of General Electric's nucleonics project at Richland, Wash., who will discuss "Insurability of Atomic Energy Workers"; Dr. W. Edward Chamberlain, professor of radiology at the medical school of Temple University, "Application of Atomic Energy to Biology and Medicine," and Senator Brien McMahon of Connecticut, member of the joint Congressional committee on atomic energy, "Struggle for Atomic Peace."

To Discuss Degenerative Diseases

"Degenerative Diseases" will be treated by Dr. Tinsley R. Harrison, president of the American Heart Assn., Southwestern Medical College, Dallas, and will be discussed by Dr. Lauritz S. Ylvisaker, Fidelity Mutual.

Pearce Shepherd, vice-president and associate actuary of Prudential, will deal with "Pulmonary Tuberculosis Mortality—a Study of Disability Claims," and Edward A. Lew, Metropolitan Life, and Dr. Harry W. Dingman, Continental Assurance, will discuss the subject.

There will be an open forum led by Dr. Ralph R. Simmons, Equitable of Iowa. Dr. Peter G. Denker, Bellevue Hospital, New York City, will discuss "Epilepsy"; Dr. James P. Donelan, Guarantee Mutual, "Orthopedic Impairments"; Dr. Robert L. Weaver, Penn Mutual, "Osteomyelitis"; Dr. J. Gilbert Falconer, North American Life, "Chronic Cholecystitis," and Dr. Berthold T. D. Schwarz, Bankers National Life, "Asthma." Dr. Howard A. Rusk, New York University College of Medicine and associate editor of the New York "Times," will talk on "Dynamic Therapeutics in Chronic Disease Pays Dividends" and Dr. McLeod C. Wilson, Travelers, will talk on "Peptic Ulcer" and Dr. H. Clive McAlister, Lincoln National, will discuss the subject.

The opening address will be given by Frazer B. Wilde, president of Connecticut General.

Selection Men Hear Reeder

Chicago Home Office Life Underwriters Assn. had a considerable number of A. & H. underwriters from Chicago companies at its meeting to hear Dr. C. A. Reeder, assistant medical director of Continental Assurance, talk on the importance of heart murmurs in life insurance underwriting.

Dr. Reeder pointed out the importance of the lay underwriter's learning to determine whether a murmur is functional or organic. It is his belief that by careful analysis covering timing, position, transmittal, exercise effect, hypertrophy, and fever history, a fairly clear identification of the murmur can be made. After Dr. Reeder finished his talk a general discussion of electrocardiograms ensued. Describing briefly the theory behind EKG's, Dr. Reeder asked the group to remember that a person can have a seriously impaired heart and still have a perfectly normal EKG and that an EKG is merely an aid to diagnosis of heart cases.

At next meeting, Nov. 3, George T. Hitchcock, regional claim representative for Equitable Society, will speak on investigation of fraudulent life claims.

Describes Effective Direct Mail Use

NEW YORK—"Where do old ladies work in your company?" was the question Charles R. Corcoran, director of sales promotion for Equitable Society, offered as a means of stimulating the interest of women prospects in a direct mail letter.

Speaking to the New York League of Life Insurance Women on the sales slants of direct mail, he advised making direct mail letters look as the agent would like to look when calling on a new prospect. Letters should be neat, attractive, and well dressed. Further, they should talk as the agent talks, and finally letters should go only to those people the agent wants and intends to call on personally.

Direct mail should be a continuous process, he said. Three tests of the effectiveness of a letter are the strategy test, Does the letter capture the reader's interest?; the style test, Is the letter clear, unified, and in sequence?; and the form test, Does the letter have a quality look, or does it look like a mass circular?

Edward N. Mayer, Jr., president of

James Gray, Inc., spoke on the "Seven Cardinal Points of Direct Mail Advertising."

Seek to Balk Private Sale

WASHINGTON—Attorneys for Otis & Co., Cleveland banking house, have asked the securities and exchange commission to require the Michigan-Wisconsin Pipe Line Co. to market \$66 millions in securities through negotiated sales, rather than under contracts the pipe line company has with Metropolitan Life and Mutual Life of New York, according to the attorneys.

Dudney Branch Manager

Fred S. Dudney of Spartanburg, S. C., has been named manager of the west coast branch of the Connecticut Mutual Florida agency of which Frank R. Anderson, Miami, is state agent. Mr. Dudney's headquarters are in the Wallace building, Tampa. He has been in the insurance business for the past 15 years.

N. J. TDB Act Broadened

The bill just signed by Governor Driscoll of New Jersey permitting companies to write groups as well as four

applies only to group accident and sickness under the temporary disability benefits law. However, the company can provide other accident and health benefits—hospitalization, for example—in the same T. D. B. policy.

Kinney New Okla. Actuary

Tom Kinney is new actuary of the Oklahoma insurance board. Joe B. Hunt, who has been acting actuary, will continue as his assistant. Mr. Kinney has been actuary of the Mississippi department.

LOMA Schedules '49 Meets

Life Office Management Assn. will hold its spring conference May 23-24 at Lookout Mountain hotel at Chattanooga and its annual conference Sept. 19-21 at the New Ocean House, Swampscott, Mass.

Union Central Ups Slatine

Union Central has named William L. Slatine assistant agency secretary. Mr. Slatine has been with the company since 1926, was 16 years in the auditing department and in 1942 was transferred to the branch office accounts division. He served in the navy and in 1946 returned to Union Central.

Always Room At the Top

The LNL career underwriter with ambition to become a General Agent knows there are opportunities aplenty right with his own company. He knows this because 40 of the company's general agents have been promoted from the ranks. There's always room at the top with The Lincoln.

Lincoln National's promotion policy provides another reason for our proud claim that *LNL is geared to help its field men.*

Its Name Indicates Its Character

The
LINCOLN NATIONAL
LIFE INSURANCE COMPANY

Fort Wayne 1, Indiana



Ill. Bankers Life Takes Over Peerless L. & A.

Illinois Bankers Life has reinsured the business of Peerless Life & Accident of Kansas City, Kan.

Peerless operated in Kansas only, with an annual premium income of approximately \$150,000, consisting primarily of monthly premium A. & H. and some intermediate life business.

D. T. Lund, former secretary and general manager of Peerless L. & A., has been named district manager for Illinois

Bankers Life and will operate through a combined district office at Kansas City, Mo., covering the greater Kansas City area.

The agency staff of Peerless has been assimilated under Mr. Lund and his associates, and an extensive development program covering Missouri and Kansas is under way.

The Indiana Fraternal Congress held a two-day, golden anniversary session in Indianapolis. C. F. Webster, Marion, Ind., president of the congress, presided at the opening session.

Agents Council of Nat'l of Vt. Meets

Charter members of the newly organized agents executive council of Na-

tional Life of Vermont met with home office executives last week in a three-day series of meetings. The council, which was organized last spring by Vice-president D. Bobb Slattery, consists of the 12 top producers. Its purpose is to bring the agents into closer relationship with the company.

Robert O. Bickel, Cedar Rapids, as sales leader was automatically appointed president of the council. Others are Chester G. Raymond, Tacoma, vice-president, who was second in sales; Ray H. Sponberg, Minneapolis, secretary-treasurer; John W. Carrothers, San Francisco; Neil Croonquist, Minneapolis; George S. Hamilton, Baltimore; Eugene C. DeVol, Philadelphia; Leigh J. Bair, New York City; Francis T. Fenn, Jr., Hartford; Thomas M. Schriber, New Canaan, Conn.; George H. McWhirter, Atlanta; and E. P. Ripley, Roanoke.

Plaques Presented to Members

A handsome bronze plaque mounted on wood denoting membership in the council was presented to each member.

Business sessions, held in the office of President E. M. Hopkins with the president and other invited officers of the company present, were devoted to practical discussions of agents' compensation, pension plans, dividends and other matters. Since all three matters are still under consideration by the company, the officers considered it a great help to get the ideas of the men on the selling front. Messrs. Fenn, Hamilton and Bair were appointed to serve on the compensation committee along with general agents.

The second business session was devoted to an exchange of sales ideas and trends and the company is planning to make this material available in a series of releases to the entire sales force.

Some of the agents were accompanied by their wives and the company arranged a program of social events including luncheons and dinners, golf and bridge, and trips up Mount Mansfield and to the Barre granite quarries.

Company executives are so highly pleased with the session that they decided to expand the council to 150.

Conn. Mutual 25-Year Club

HARTFORD—A Connecticut Mutual Quarter Century Club was formed at a dinner, where 84 employees with 25 years or more of service, became charter members. Peter M. Fraser, president, who has been with the company since 1918, was toastmaster.

Among the senior employees in point of service are W. G. Henderson, underwriting department, 46 years; Henry I. B. Rice, vice-president and actuary, 43; Harold F. Larkin, vice-president, 42, and Harvey Goodwin, cashier, 41.

W. Va. Taxes Annuity Premiums

Premiums for annuity contracts are taxable under West Virginia law, Assistant Attorney-general Vance has informed Commissioner Butler. However, he said, that the question is not entirely free from doubt, and the decided cases "are in hopeless conflict." A number of the cases hold that considerations paid for annuities are not premiums and are not taxable, but Mr. Vance said "it is the opinion of this office that the word 'premiums' should be construed to include consideration received for annuity contracts."

Complete Biggest Private Placement Deal in History

Nine life companies and Carnegie Corp. have purchased \$250 million of bonds of Shell Caribbean Petroleum Co. of New Jersey, the transaction being described as the largest private issue ever sold and the largest private placement ever made. These are 4% bonds maturing in 1968. The placement was arranged by Morgan Stanley & Co. The interested insurers are Metropolitan, N. Y. Life, Prudential, Mutual Life, Sun Life, Northwestern Mutual, Travelers, New England Mutual and Provident Mutual.

Texas Life Men Confer in Austin

A conference was held in Austin for two days between local, state and National association officers under the auspices of the Texas association. President R. N. Lewis presided and James E. Rutherford, executive vice-president N.A.L.U., spoke.

Several speakers stressed need for impressing upon the applicant for membership that he is joining a quality group and must meet certain standards before being accepted. An association has the right to reject an applicant without explaining, it was said.

After dinner, President Lewis discussed functioning of the Texas association. There are 29 local associations now in Texas.

Mr. Lewis announced a state association office has been established at 925 Littlefield building, with Mrs. Elizabeth Wood, executive secretary, in charge.

Tell Plans for Year

The second morning session was opened with the question by Mr. Rutherford, "What are your plans for 1948?" The answers included three fall seminars with two speakers for each, free to all; a meeting devoted to a study of social security benefits and estate planning; creation of advisory councils; sponsoring a cancer drive; a one-day chamber of commerce drive; a junior seminar for new agents; a public relations luncheon to which representatives of professional and business men are invited; organization of an estate council; sending speakers to talk to high school and junior college groups; holding a ladies' day once a year; sponsoring a safety campaign; use of visual sales presentation on value of the association, and securing of speakers on taxation and other specialized problems for association meetings with invited guests from business and professional groups.

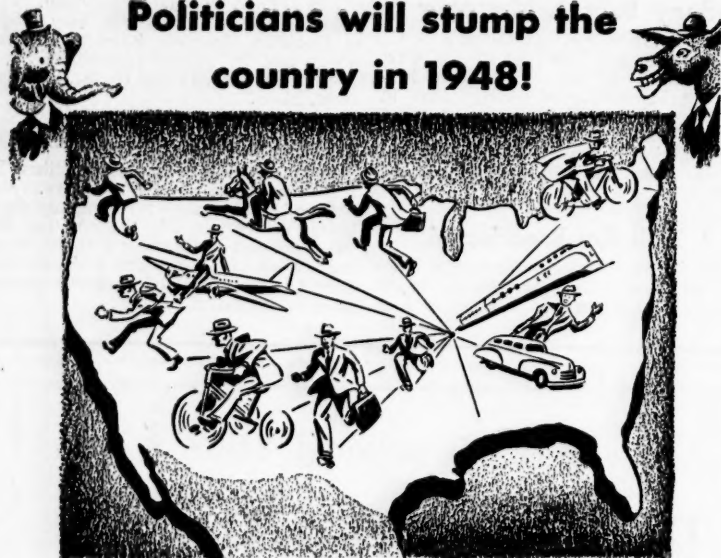
The Texas association executive committee met. Mr. Lewis presented a standardized report form to be used by regional directors when visiting local associations. Problems of group insurance presented where the employer-employee relation does not exist, the bonus policy, and the qualification law are matters being studied by the legislative committee, Mr. Lewis reported. Leon Blum, chairman educational committee, recommended speakers be sent to junior high and high schools and colleges.

Regional sales seminars were announced for Bryan Dec. 12 and Harlingen Dec. 13, for the Central Texas association, Waco, and Austin; and the Valley Grande, Corpus Christi, and Victoria associations.

Slaton Agency Meeting

The Harold Slaton agency of Bankers Mutual Life at Benton Harbor, Mich., held its fall meeting at Grande Vista. President George C. French presented Tom Sweeney, a leading producer a jeweled button in recognition of his record. Russell S. Haight, vice-president, also attended.

Politicians will stump the country in 1948!



Our Home Office Men Cover the Country Too!

The itinerary of home office principals of General American Life was worked out back in 1947. No hit or miss about it... but, a carefully planned "swing" around the country, with dates all set, so that district men and field representatives can enjoy the benefits of conference with home office men on scheduled dates and plan their work accordingly. This is one of many instances of home office cooperation and support that gives added meaning to the phrase... you're always in business with

GENERAL AMERICAN LIFE INSURANCE COMPANY
WALTER W. HEAD, PRESIDENT
SAINT LOUIS

Now Doing Business in—

★ **INDIANA** ★

To experienced producers we offer an unusually good direct general agents contract.

For full information write to
J. DeWITT MILLS, Superintendent of Agents

MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY
Life Insurance Company

812 Olive Street-Arcade Bldg.

Allen May, President.

St. Louis 1, Mo.

O. Sam Cummings' Survey Shows How 2,129 Policyholders Got on Prospect Lists

How 2,129 policyholders of 26 general agencies of Kansas City Life got on agents' prospect lists is revealed in a study made by O. Sam Cummings, general agent at Dallas for the company.

Cold canvass is the largest classification, accounting for 339 cases or roughly 16%. This is additionally significant because all the cases were from experienced agents.



O. Sam Cummings

In second place came personal friends, accounting for 333 cases or a little more than 15% of the total. This large showing is in line with results reported at the 1947 American Life Convention meeting by W. R. Jenkins, vice-president of Northwestern National, indicating that the best center of influence is the agent himself and that the agent who is the type of person generally described as a center of influence has the best chance of attaining success in life insurance selling. Although only 333 were listed as friends, contacts which are basically social in character (recommended by friends, persons with whom the agent has done business, relatives, fellow members of church, etc.) accounted for a total of 692 applications or one-third of all those submitted in the period covered.

Policyholders and Kindred Groups

Close behind were policyholders and the relationships arising out of the insurance contract—relatives of policyholders, referred leads from policyholders, age-change leads, children of policyholders, former policyholders, death claim and matured policy leads, term conversions or expirations and salary savings. This group gave rise to 664 applications, about 31% of the total.

Another group of classes might be wrapped loosely under the general heading of cold canvass, although a large number of these applications came in categories from which some of the chill had been removed. For example, plain cold canvass produced 339 cases, but 106 were classified "knew of un-satisfied need" and 14 more resulted from "canvassing all persons in one vocation."

Both of these are often included as phases of the cold canvass prospecting. Together, these three prospect sources led to 459 policyholders, or more than 21%.

The remaining 15% or so came from other prospecting methods, the favorite one of which is, no doubt, "applicant asked for." Unfortunately less than 3% of the cases were written in this manner, so anyone who has to earn his living selling life insurance can't count on it for a large share of his income.

The results of this survey prove conclusively that there is no one way to get prospects, but that there are three excellent methods—canvassing friends and acquaintances, keeping in touch with people who are already insured in one's company, and making new friends by one of the many different ways of using cold canvass.

"Most well-rounded, well-fed life insurance men use all three," Mr. Cummings says. "This is an excellent time to check back through your application records to find out how you are getting policyholders and how your policyowners become prospects. Knowing this, you will be able to direct your prospecting activities into the channels which will produce more policyowners for you."

U. S. Supreme Court Denies Phoenix Mutual Appeal

The U. S. Supreme Court has denied a writ of certiorari in number 240, Phoenix Mutual Life vs. National Labor Relations Board. This leaves the board free to secure court enforcement of its order against the company charging unfair labor practice in discharge of two life salesmen. The seventh circuit court of appeals had ruled in favor of NLRB to the effect that the agents were in covered activity when they attempted with other salesmen to obtain appointment of a particular person as a cashier of their agency in Chicago. The NLRB contention that ordinary life salesmen are common law employees was also upheld by the appeals court.

H. G. Kenagy, vice-president of Mutual Benefit Life, will speak at a dinner meeting Oct. 25 of Elmira Area Sales Executives Club, Elmira, N. Y.

Chicago is a Great City



Now — A Few Words From Our Sponsor . . .

(So to speak)

We interrupt our "Chicago is a Great City" series to bring you one straight Commercial:

Yes, We are proud of being a part of Chicago . . . and . . . We are proud of our part in making Chicago a greater City.

Here is our 1948 Record to date:

PREMIUM COLLECTED

January \$716,568.84

February \$827,201.78

March \$977,363.53

April \$1,028,871.89

May \$949,212.50

June \$1,143,153.78

July \$1,159,524.22

August \$1,098,803.03

September \$1,164,150.46

TOTAL FOR 9 MONTHS \$9,064,850.03

Thanks for the 30 seconds of your time it took to read this. In the next issue we return you to the "Chicago is a Great City" series with a story about the most fabulous grain market in the world—The Chicago Board of Trade.

When you are in Chicago
Be sure to come and see us

Perhaps we can add something to our visitors' knowledge of this business; maybe they can do the same for us. Anyway you can find us on the job from 8:30 to 5, Monday through Friday, and it's always open house here.

BANKERS LIFE & CASUALTY CO.

John D. MacArthur, President

Kenneth at Lawrence Avenue, Chicago 30, Illinois

"Chicago's First Insurance Company"—Established 1879



"YOU MEAN I'VE GOT TO GIVE HER THIS POWER OF APPOINTMENT OVER THE PROCEEDS OR I CAN'T GET THE MARITAL DEDUCTION?"

EDITORIAL COMMENT

Compulsory Disability Not Inevitable

It was plain to see from the far more than polite applause that H. Harold Leavey, vice-president and general counsel of California-Western States Life, slammed home a real message in speaking before the Illinois State Chamber of Commerce at its recent annual meeting in Chicago. He had emphasized that the best way for any state to avoid compulsory disability legislation is to have such a high level of voluntary employee benefit coverages established that a demand for government cover will not find fertile ground.

This apparently was a revolutionary concept, a brand new idea to many employers and their representatives present. Conversant as they were with the advantages of private enterprise in their own fields, these businessmen representing many diverse interests apparently had accepted government entrance into the disability field as inevitable and even as desirable without applying the yardstick of private enterprise to it.

Mr. Leavey succeeded in awakening in them a realization that, far from a reality in Illinois and most other states, compulsory state disability legislation need not necessarily be passed. He also told them that in flexibility private group insurance plans are superior to any state sponsored or state governed plan and made the important point that private plans kept control in the hands of the employer rather than in the state capital or in Washington.

What was demonstrated in the audience attitude was a need for every insurance man on every possible occasion to explain private insurance to laymen. Despite the magnificent job that has been done in increasing group cover-

age within the past few years, it was evident that the advantages of private insurance had not been gotten across to many employers present. The close connection and parallel between private enterprise in insurance and private enterprise had not been drawn for these men.

It is inconceivable that the employer who fights tooth and nail against any threat of government intervention should submit to an extension of government insurance without making a close study of it. Through insurance he is faced with federal or state assumption of one of the functions of his employee benefit department. It becomes obvious that the insurance industry somehow has not been telling its story. It has been doing its job, but failing to interpret it to employers.

Mr. Leavey got the Illinois employers back to fundamentals by telling them not to worry about the situation after a compulsory disability law is passed, but to do what they can now to see that such a law is not passed if they determine it is not necessary. It was obvious that many of those attending had come merely to find out what things would be like after an event they considered inevitable.

There are many in the insurance industry who need a similar realignment of their attitude toward compulsory disability insurance. Instead of fretting over the few acts that have passed, they should concentrate their efforts on doing a good job and letting the public know they are doing this good job. Perhaps then legislation to put the state into the picture will die aborning.

Community Work as a Success Factor

Devoting of an average of eight hours a week to community service may seem like a prohibitive amount of time to the struggling agent who is looking for ways to build up his production. Yet that is what Million Dollar Round Table members who answered a round table committee's questionnaire reported doing. A full working day each week spent in activities having no direct connection with garnering applications may seem a strange way to get into the million-dollar production class but it is a statistic well worth the attention of the man who wants to qualify for the M.D.R.T.

The big producer's percentage of time spent on community service ties in closely with the findings discussed at last

year's American Life Convention meeting by W. R. Jenkins, vice-president Northwestern National. Mr. Jenkins said that it has been found that regardless of what star producers said about following such methods as endless chain, center of influence, and the like, the big factor in their success seemed to be their standing in the community. Unless the producer was pretty much of a center of influence himself and was considered by his fellows to amount to something, not merely as a life insurance man but in other ways, he was likely to have difficulty making much of a success.

This is natural. No matter what type of service one needs he is always better satisfied to deal with someone who he

feels is a person of prominence. Sometimes this natural human instinct perverts accurate judgment and results in mistaking form for substance but in general the man who has attained prominence in his community, whether he is a doctor, lawyer, garage proprietor, or pool-room operator depends for his success on something besides the customers' cold-blooded and scientific appraisal of his talents in his particular field.

This prestige factor needs to be better appreciated among the rising generation of agents, many of whom are likely to feel that an eager-beaver devotion to memorized sales talks, endless chain methods of prospecting, and time-control systems is automatically going to get them into the top ranks. Naturally, the pursuit of this type of glamour has to be handled with intelligence. The mere spending on an average of eight hours a day on community service may be quite a help to the Boy Scouts, the community chest, or the Y.M.C.A. without doing much for the agent except to give him a fine glow of unselfishness. Obviously, the agent who likes this sort of work is fortunately situated, for to many men, not necessarily any more selfish, this type of activity is worse drudgery than cold canvass, but the for-

mer is perhaps in as much danger of going hog-wild as the latter is of being too reluctant.

Incidentally, anyone wishing to find out how a million-dollar producer goes about developing this kind of prestige should go back and read the article in the Sept. 17 convention daily of THE NATIONAL UNDERWRITER covering the talk of Frank L. McFarlane, Northwestern Mutual, Cleveland, at the N.A.L.U. convention. Many who heard Mr. McFarlane doubtless considered that the amount of time he spends in community work is extremely exceptional. However, the Million Dollar Round Table survey indicates that the spending of a large amount of time in such activity is much more common than had generally been realized.

For many years agents have known of the value of community work as a prestige builder and hence as an aid to production. Perhaps the reason that not more of them have made it work successfully is that unlike the M.D.R.T. members they have not realized the extensive scale on which it had to be practiced in order to produce maximum effectiveness. It looks as if the value of community service as a factor in life insurance sales success is due for a sharp upward revaluation.

PERSONAL SIDE OF THE BUSINESS

Albert A. Yost, district manager at Harrisburg for Prudential was honored on his 35th anniversary with that company by presentation of credentials of the Prudential Old Guard from S. M. Southard, superintendent of agencies.

Thomas Allen, general agent of Massachusetts Mutual in Brooklyn and **Andrew F. Frey** of the same agency are working in the Brooklyn YWCA campaign.

Horace J. Merkle, manager of Prudential at Portland, Ore., received a gift from the staff on his 70th birthday. It was presented by Carl Morgan. Mr. Merkle will shortly retire after some 30 years of Prudential service.

Burton P. Sears, associate general counsel of Washington National, has been nominated for a director of Evanston, Ill., chamber of commerce. The term as director of George R. Kendall, president of Washington National, is expiring.

Harry N. Bonar, New England Mutual Life, Parkersburg, W. Va., has been elected chairman of the Community Chest campaign there.

B. N. Woodson, executive vice-president of Commonwealth Life, is carrying an added extra-curricular load these days as co-chairman of the Louisville community chest campaign.

Leonard M. Gardner, who was counsel to former Insurance Superintendent Louis H. Pink of the New York department, has transferred to Tokyo as insurance and claims specialist in the funds control department of the American oc-

cupation government. He was formerly in Korea and before that was in the Philippines, where he remained to carry out the work begun by Mr. Pink in reorganizing the Philippine insurance department after the war.

About 40 associates and officials of Provident Life & Accident honored **John R. Humphries** at a dinner at Chattanooga on his election as a trustee of National Assn. of Life Underwriters. President R. J. Maclellan and Vice-president Sam E. Miles were present and participated in the affair.

Sidney Wertimer, manager of Prudential at Buffalo, has been appointed chairman of the special airport committee of Buffalo Chamber of Commerce.

John M. Sisk, supervisor in Milwaukee for Bankers Life of Iowa, is president of the 1948 President's Club. Mr. Sisk led the 128 members in production for the second consecutive year.

DEATHS

W. M. Hobbs, 52, president of American Home Life of Kansas, whose death was reported briefly in last week's issue, had been a resident of Topeka for the last 27 years. He attended Baker University and after living in Goff returned to Baldwin, where he had grown up. There he was in the mercantile business with his father, the late W. H. Hobbs and his uncle, Charles F. Hobbs, later Kansas insurance commissioner

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and a director in American Home Life. Mr. Hobbs joined American Home in 1921 as secretary, becoming president in 1936 on the death of Fred Metzger.

Franklyn P. Ely, 70, died Oct. 8 at Rochester, N. Y., after a 5-week illness. He was with Home Life and at one time was director of its branch office there.

Daniel N. Handy, 74, 40 years librarian of Insurance Library Assn. of Boston, died at Braintree, Mass. He was one of the founders of Insurance Institute of America in 1909 and was four times president of National Insurance Library Assn.

Cantrell Takes Agency Post

Northwestern National has transferred Mitchell Cantrell, supervisor in the Texas agency since 1941, to the home office agency field service department. Mr. Cantrell joined the agency as cashier in 1934, following attendance at Baylor.

He was in the navy.

Iowa Conference Oct. 27-28

Iowa Assn. of Life Underwriters will hold a state conference at Des Moines Oct. 27-28. T. J. Kiesselbach of Mason City is state president. Herbert R. Hill, N.A.L.U. trustee, will be one of the speakers. A dinner will be held the evening of Oct. 27.

Shoul Leads in Volume

Jacob W. Shoul, Boston agent of Mutual Life, led the company in volume in September. Louis J. Santamarie, Philadelphia, and Sam S. Herwitz, Cincinnati, ranked second and third. Leading in paid applications were George E. Mader, Milwaukee; Adrian Fisch, St. Paul, and George W. Greenlaw, Fargo.

Rules for Air Passenger

Traveling as a passenger in a navy airplane does not constitute "participating in aeronautics" the U. S. court of appeals for the District of Columbia has ruled affirming the District of Columbia federal court, in Flynn vs. Phoenix Mutual Life. The policy involved was for \$5,000.

Mahoney Parley Nov. 24-26

NEW YORK—The Mahoney committee has scheduled a hearing at the Roosevelt hotel here Nov. 24-26 on the New York insurance legislation program for the 1949 season. The committee is headed by Senator Walter Mahoney.

Butler Insurance Group Honors Three

INDIANAPOLIS—Three Indianapolis general agents—E. A. Crane of Northwestern Mutual, J. R. Townsend of Equitable of Iowa, and Horace Storer, Bankers Life of Iowa—were presented honorary memberships in the Butler University Insurance Society at a Butler "appreciation night" dinner in Indianapolis.

R. D. Smyth, Yakima, Wash., student president of the society, paid tribute to their work and that of the Indianapolis General Agents & Managers Assn. in furthering the Butler insurance education program, as did President M. O. Ross of Butler.

In addition to a report of Prof. H. C. Graebner of Butler, D. P. Cahill, director at Purdue and Dr. J. C. Hedges, Indiana University, reported on insurance activities at their institutions. Ivan Snyder, educational director for Indianapolis Life and local chairman of the educational program of the Life Underwriters' Training Council, reported on the progress of that group.

In addition to 32 members of the Butler Insurance Society present and the General Agents & Managers' Association, which annually sponsors an "appreciation night" for the school, the meeting was attended by a number of officials from local life insurance companies and other guests from the industry in Indianapolis.

Viser Trust Council Speaker

Milwaukee Life Insurance & Trust Council will hold its first fall meeting Oct. 25, following dinner. John Viser, attorney for Old Line Life, will speak on "Recent Developments in the Insurance Industry."

Cummings at Okla. City

Oklahoma City General Agents & Managers Club at its meeting Oct. 18 was addressed by O. Sam Cummings, Texas general agent of Kansas City Life and past president of N.A.L.U.

San Antonio Cashiers Elect

San Antonio Life Agency Cashiers elected Marjorie Limes, John Hancock, president; Gerry Moore, John Hancock, vice-president; Marjorie Hess, Western Reserve Life, chairman; Vera Heyer, secretary.

★ Here's Happiness for a Star! ★



This is the house that "jack" built!
The New Home of One of OUR STARS
READ THIS SUCCESS STORY

★ "I am enclosing a photograph of the home we have just purchased, for which we paid \$30,000 cash.

"I started from 'scratch' as a General Agent for the Illinois Bankers Life Assurance Company just four years ago. Through the use of the Miracle Letter lead system and other Illinois Bankers Life Assurance Company sales plans and policies, I have accomplished a great deal more financially than I ever dreamed of doing in so short a time.

"My home, paid for in full, is one of the evidences of the value of an Illinois Bankers Life Assurance Company agency contract."

(Name on request. Such a letter could well be written by you if you become a member of our happy family.)

You, Too, May Reach STARDOM
In "The Happiest Insurance Family in America"

Investigate this opportunity to become associated with a group of enthusiastic insurance money-makers and a friendly company that is genuinely agency-minded. Our unique methods create leads. If you are interested in Immediate Income, Renewal Revenue, and Future Security, write for our intriguing plan and learn of the general agencies still available. If you can meet our requirements, you'll be thanking your lucky stars you acted quickly. All correspondence confidential!

Hugh D. Hart, Vice-President and Director of Agencies

Illinois Bankers Life Assurance Co.
Monmouth, Illinois

★ "THE HAPPIEST INSURANCE FAMILY IN AMERICA" ★

TO LOOK AHEAD....LOOK BACK!

Future progress must, of necessity, rest upon the sound and steady growth of the past. The prediction of a bright future is conservative, when you examine the growth of the Pacific National Life Assurance Company during the past 20 years. From October 8, 1928, to October 8, 1948, Pacific National grew from a single agency until it recorded on its 20th anniversary agencies licensed and actively operating in: ARIZONA, CALIFORNIA, COLORADO, IDAHO, MONTANA, NEVADA, OREGON, UTAH, WASHINGTON, WYOMING, and the TERRITORY OF HAWAII.

ASSURE YOUR OWN BRIGHT FUTURE WITH

A STRONG COMPANY BUILDING A STRONG WEST

HOME OFFICE

PACIFIC NATIONAL LIFE
ASSURANCE COMPANY



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FIRST SOUTH AND MAIN STREETS

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"I THINK WE MADE A MISTAKE IN LETTING JUDKINS KNOW WE TOOK OUT THAT KEY MAN INSURANCE ON HIM."

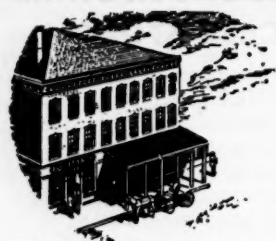
NEWS OF LIFE COMPANIES

Examiners Boost Nat'l L. & A. Surplus

The regular triennial examination of National Life & Accident has been concluded by examiners representing zones 2, 3, 4, 5, and 6. The examination covering the three years ended Dec. 31, 1947 shows surplus of \$6,812,461 which is \$1,576,523 greater than the figure appearing in the company's annual statement for 1947. The principal source of increase was \$1,474,648, representing market value of stocks over the company's admitted value, since the company had followed a policy which is more conservative than that promulgated by the National Assn. of Insurance Commissioners' committee on valuation of securities. The other major

source of surplus increase was \$120,000 representing the value of American Airlines debentures purchased in 1946. The Tennessee commissioner had previously declined to approve their purchase and the company had written off the book value of its holdings and transferred the asset to schedule X. However, during the examination the commissioners agreed that these bonds might be held by the company at the N.A.I.C. market value of \$120,000. The bonds are not in default as to principal or interest.

The examiners stated that the company's Dec. 31, 1947, assets were \$246,647,231, and liabilities, exclusive of capital, were \$218,834,769, thus providing funds for additional protection to policyholders of \$27,812,461. They cite the company's "steady growth, soundness of its current financial condition, and the ability of its management."



1867
1948

On January 25, 1867, the Equitable Life of Iowa was founded in Des Moines, then a frontier town of 8,000 people.

The 81 intervening years have witnessed the development of that pioneer enterprise into a national institution. In contemplating the completion of its first century of service, the Company will continue to conduct its affairs in the sound, constructive and progressive manner which Time has so thoroughly tested.

**EQUITABLE
LIFE of IOWA**

Founded in 1867 in Des Moines



THREE BASIC PERSONAL COVERAGES FOR YOUR CLIENTS

1. All standard forms of Life (ages 0 to 60)
2. NON-CANCELLABLE Health & Accident (ages 16 to 50)
3. NON-CANCELLABLE Hospitalization (Individual or Family—ages 3 mo. to 55)
 - a. Medical Attendance Indemnity Rider
 - b. Surgical Indemnity Rider

Liberal 1st & 2nd year commissions, plus 8 regular renewals, lifetime service fee, Social Security and Guaranteed Retirement Pension Plan.

Openings in North Dakota, Montana, Wyoming, Oregon, South Dakota, Idaho, Iowa and Utah for General Agents and Agents.

PIONEER MUTUAL LIFE INSURANCE COMPANY

SINCE 1868

FARGO, NORTH DAKOTA

Phoenix Mutual in Billionaire Class

HARTFORD—Phoenix Mutual Life has passed the billion-dollar mark in insurance in force, having gained more than \$45 million during the first nine months of this year. President A. M. Collens emphasized, however, in a special message to policyholders, that the company's goal has never been size alone but that "of far more importance has been the quality of service to policyholders." At a gathering of the home office staff D. Gordon Hunter, vice-president and agency manager, outlined the company's record of achievement in its 97-year history.

Alpaugh Month Big Success

Substantial gains in new life and A. & H. business were made by Inter-Ocean during the September campaign honoring President W. G. Alpaugh. The largest increases were in the industrial department where \$25,000 industrial debit was reached, a figure that had been slated for Dec. 31. Of the debit business, one-sixth is life and the remainder A. & H. and hospital. Inter-Ocean began writing industrial life in 1947 and entered the ordinary life field last February.

Prudential Buffet Luncheon

Prudential held an informal buffet luncheon last week at the head office in Newark to mark its 73rd anniversary. Carrol M. Shanks, president, and other executives of the company welcomed some 700 business and civic leaders. Among the guests were leading executives of insurance organizations in the metropolitan area, many state and city officials and representatives of banking, industry and commerce.

ACCIDENT

Cal. A. & H. Managers Ready for Annual Rally

SAN FRANCISCO—The program has been completed for the annual convention of California State Assn. of A. & H. Managers Clubs here Friday of this week. In the morning there will be a business meeting of the state association followed by talks by Clem Whitaker of San Francisco on public relations and by H. Harold Leavey, vice-president and counsel of California-Western State Life, on the unemployment compensation disability situation.

San Francisco A. & H. Underwriters Assn. will take part in the luncheon and sales congress, for which the speakers are Cyril Wright of San Francisco, director of sales promotion of Foster & Kleiser Co., on "The Case of the Reluctant Dollar;" Jack Boyd of Connecticut General Life, San Francisco, on "The Buyer's Interest Must Come First;" E. F. Gregory of Denver, manager B.M.A. and president of National Assn. of A. & H. Underwriters, on "The Seven Keys to Closing;" R. B. Kelly, Emmett & Chandler, Los Angeles, on "Hospitalization—Its Future," and Charles Simmons, Los Angeles lecturer, "Your Personality on Parade." There will be a cocktail party, dinner and entertainment.

Mr. Gregory will be accompanied by Wesley J. A. Jones, assistant secretary of National Assn. of A. & H. Underwriters.

C. A. Fahey Is Elected V.-P. of Union Casualty

Charles A. Fahey has been elected vice-president of Union Casualty of New York. Mr. Fahey entered the insurance business in 1924 as a field representative of Travelers and later served as superintendent of the A. & H. department of Royal Indemnity and

Standard Accident. In 1943, he became general manager of Union Casualty. He has also been made executive vice-president of the Trade Union A. & H. Adjusters Assn. of Philadelphia. This is the association that handles the adjusting work on group insurance in the hosiery industry.

Offer Cal. Managers Slate

LOS ANGELES—Los Angeles A. & H. Managers Club listened to Hal Barnes of the business service bureau of the Los Angeles Chamber of Commerce tell of the objectives of the C. of C.—an attempt to get at the heart of problems which confront the city and solve them.

Because the 1949 convention of California Assn. of A. & H. Managers Clubs is to be held here and the officers will be Los Angeles men, the club presented this slate to be offered at the San Francisco convention: President, Charles E. Olsen, Cass & Johansing; vice-president, D. C. MacEwen, Occidental Life; secretary, Ray G. Scofield, Massachusetts Bonding.

COMPANY MEN

C. E. Phillips Heads Equitable of D. C.

WASHINGTON—Equitable Life of Washington, D. C., has elected Charles E. Phillips, formerly secretary-treasurer, as president to succeed the late Henry P. Blair.

Gilbert C. Clark, formerly associate actuary, becomes executive vice-president and secretary. Lauriston H. Hannah, vice-president and manager of agencies, was elected to the executive committee.

Mr. Phillips, a native of Washington, has been with Equitable for 26 years. A graduate of George Washington University, he is a member of the bar.

Mr. Clark has been in the Equitable actuarial department since 1925. He is a graduate of Carnegie Institute of Technology, member of the executive committee of Life Office Management Assn. and chairman of its industrial insurance office methods committee.

Query, Brock Advanced

Prudential has promoted Alexander Query to associate general counsel and Henry J. Brock to assistant general counsel.

Mr. Query, an alumnus of Virginia and Fordham law school, joined Prudential in 1936 as an attorney. He was promoted to assistant general solicitor and in 1946 was named assistant general counsel. Mr. Brock also went to Fordham. He was with the New York law firm of White & Case from 1929 to 1946, when he joined Prudential. He has been associate counsel in the law department.

Hunter Field Supervisor

Toronto Mutual Life has appointed A. C. Hunter field supervisor. He has been manager at Hamilton, Ont., for 12 years. He started with the company as an agent.

William W. Githens, assistant manager at Toledo for Prudential has been promoted to research assistant in the or-

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dinary agencies department at the home office.

With Pan-American

Pan-American Life has appointed Gilbert H. Sawyer as agency supervisor on the home office agency staff. Before joining Pan-American he represented General American Life at Birmingham. Since re-entering the business following war service he has served as its district manager.

Mr. Sawyer is a graduate of the Southern Methodist course, where he was president of his class.



G. H. Sawyer

MANAGERS

Open Indianapolis Management Course

A good agency, according to a definition set up by the Indianapolis General Agents & Managers Assn. round table discussion, is one in which there is voluntary cooperation among all classes of personnel under aggressive, organized management which is directing planned progress toward the goal of making the services of life insurance widely available in the community, in which it is recognized as a good business organization offering enjoyment, success, and advancement in their work to all employees of it.

The discussion, first of a weekly series of 17 which will constitute a study group in addition to the association's regular meetings, enrolled 30 general agents, managers, and supervisors and local home office agency men.

Similar groups are being organized in Pittsburgh and Dallas, and it is understood that the three are intended as pilot courses which will form the basis of recommendation by the general agents and managers committee of N.A.L.U. for the establishment of similar courses throughout the country next year.

Completed Assignments Discussed

Plan of the Indianapolis course is written assignments followed by group discussion of the material in the assignments as completed.

The discussion developed the fact that approximately half of the general agents and managers present think that in order to be classified as "good," an agency must offer financing to new men. Participating as observers in the discussion, directed by Fitzhugh Traylor, Indianapolis manager of Equitable Society, and William Cass, Indianapolis general agent for Mutual Benefit Life, were C. H. Graebner, insurance professor at Butler University, and Dan P. Cahill, director of the Purdue course.

Future meetings will be held in the home office building of the Standard Life of Indiana. The course is auton-

omous as far as financial operation is concerned.

Five-day Educational Course Held in Seattle

SEATTLE—Life Managers Assn. is initiating an educational conference Nov. 20-24. Dr. Elwood Murray, director of the school of speech of Denver University, is to lecture, and also it is indicated, J. H. Jacobs, treasurer of Baur's, Inc., Denver. They will talk and lead discussions on a new human relations methodology which has attracted much interest.

Fee for the series of lectures is \$20, with \$5 additional for wives of agents. H. M. McLellan is co-chairman of the study group in charge of registrations.

Clifford H. Orr, president National Assn. of Life Underwriters, spoke Monday at a luncheon meeting, at which William Hicks, assistant manager of Prudential, continued the discussion of "Old Age Income vs. Family Income." He argued emphasis should be divided between the two and presented Prudential's new sales plan, known as the "Dollar Guide."

Denver Managers Elect

C. E. Childs, Minnesota Mutual, was elected president of Denver General Agents & Managers Assn., succeeding Taft Barrow, Occidental of North Carolina. John L. Scripps, Mutual Life, was advanced to vice-president and C. P. Hilton, Beneficial Life, was elected secretary-treasurer. Trustees are James Godard, Northwestern National, and John H. Weber, Guarantee Mutual.

SALES MEETS

Capitol Regional at Colo. Springs

Fifty members of Capitol Life's field force attended a regional meeting at the Broadmoor hotel, Colorado Springs. The meeting was opened by Harold B. Wendell, director of agencies, who also presided at one of the sessions.

President Clarence J. Daly welcomed the delegates and spoke informally at the banquet Monday evening. Other home office officials who addressed the sessions were G. A. L'Estrange, vice-president and agency director; Melvin J. Roberts, treasurer; Walter K. Fritz, secretary; and J. P. Nordlund, general counsel.

Wyoming, Nebraska, Kansas, Missouri, and Colorado were represented.

John Hancock Ohio General Agents Hold Columbus Rally

Four Ohio general agencies of John Hancock sponsored a sales meeting at Columbus, the program covering a wide field of subjects. There was an excellent attendance for the two-day gathering which included a cocktail hour and dinner the first evening.

The meeting was promoted entirely by the general agents, the home office being represented by three participants in the program.

Ralph W. Hoyer, general agent at Columbus, welcomed the delegates and Henry S. Stout, Dayton general agent, was chairman for the first day. Talks were given by Charles Hais, Cincinnati, on "Dollar-A-Week to Programming"; Jack Sharkey, Dayton, "Professional Market"; Al Merritt, group manager at Cleveland, "Group Insurance," and Charles Yorke of the home office on "Direct Mail." A cocktail hour and dinner were held in the evening with George Plante, Cleveland general agent, as master of ceremonies. Clyde F. Gay, vice-president, was banquet speaker.

George Vinsonhale, Cincinnati general agent, was chairman for the second day, at which the speakers were Jack



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E. Bell, Akron, on "Mortgage Insurance"; Charles Fehl and Clifford Benes, Cleveland, on "Salary Deduction," and Lakin Hunter of the home office, on "Visual Security Kit."

Sales Rally at Billings

BILLINGS, MONT.—Arthur W. Miller, general agent of Northwestern Mutual Life in Montana and Wyoming, held a sales meeting for agents in the two states. Grant L. Hill, vice-president and director of agencies, and Laffin Jones, assistant director, attended from the home office. Speakers included D. J. Moore, Bozeman; F. K. Miller, Billings; W. M. Graham, Great Falls; Sam Babich, Butte, and Melvin McGell, Cody. The Miller agency is in first place for percentage of increase in business for the first nine months over last year.

Oertel at Wausau Rally

The E. G. Leist agency of Great Northern Life held a sales meeting at Wausau, Wis. E. P. Oertel, assistant vice-president, of Chicago, discussed various sales topics.

Carolina Life held a meeting of its industrial agents in South Carolina, Georgia and Florida at Columbia, S. C. C. G. Gillespie, manager at Columbia, acted as chairman. President A. B. Langley and other company officers and field men were on the program.

J. C. Stephens, Jr., of the Dallas law firm of Carrington, Gowan, Johnson &

Walker, addressed the Fort Worth Trust Council on wills and testamentary trusts.

POLICIES

Provident Disability Form

Provident Life & Accident has introduced a monthly income disability provision which will be issued to acceptable male risks ages 20-50 in conjunction with applications on the programmed income, select risk ordinary life, select risk 20 pay life and optional life income at 65 plans. If total disability occurs before anniversary nearest 55th birthday and continues for six months, it provides for waiver of premiums retroactive to date of disability and monthly income of \$10 per \$1,000 face amount first payment upon completion of six months of continuous disability and continuing to policy anniversary nearest age 65, when policy matures for face or ultimate amount.

On the programmed income plan the monthly income is \$20 per \$1,000 ultimate amount until 20th policy anniversary and \$10 monthly thereafter to age 65, at which time maturity value or life income benefit provided by the contract is payable. Monthly income disability will be issued in amounts from \$25 to \$200.

NSLI Still Available

Veterans administration has sent out a news release calling attention to the fact that National Service life insur-

ance is still available to veterans of the recent war who served between Oct. 8, 1940, and Sept. 2, 1945, even though they failed to take it out while in service. A physical examination is necessary and applicants can obtain up to \$10,000.

Pacific Mutual Adds Two New Contracts, Riders

Pacific Mutual has added a non-participating special whole life policy with a minimum of \$5,000 and a nonparticipating endowment at 85. These supersede the nonparticipating ordinary life which is being withdrawn.

Also recently introduced are family income agreements providing for payment of \$15 or \$20 monthly per \$1,000 insurance. These new riders are being written in addition to the present rider which provides for payment of \$10 monthly per \$1,000 of insurance. Premiums for the 10, 15 and 20 year periods are payable for eight, 12 and 15 years, respectively. Minimum income per policy is: 10 and 15 year periods, \$25 monthly; 20 year period, \$15 monthly.

Annual premiums are:

Age	Spec. Whole Life	End. Age 85	Family Income Pd. \$15 per M. 10 Yr. 20 Yr.	\$20 per M. 10 Yr. 20 Yr.
10	12.01	12.90	....	....
11	12.20	13.18	....	....
12	12.40	13.47	....	....
13	12.62	13.78	....	....
14	12.86	14.10	....	....
15	13.12	14.43	....	....
16	13.40	14.77	....	....
17	13.69	15.13	....	....
18	14.01	15.50	....	....
19	14.34	15.89	....	....
20	14.68	16.29	4.57	7.68
21	15.04	16.68	4.59	7.77
22	15.41	17.09	4.62	7.88
23	15.81	17.52	4.65	8.01
24	16.21	17.96	4.69	8.15
25	16.64	18.43	4.72	8.33
26	17.10	18.92	4.75	8.54
27	17.58	19.43	4.78	8.78
28	18.08	19.96	4.83	9.05
29	18.59	20.53	4.89	9.34
30	19.15	21.12	4.96	9.67
31	19.73	21.75	5.04	10.07
32	20.34	22.42	5.13	10.54
33	20.99	23.12	5.26	11.07
34	21.67	23.84	5.42	11.69
35	22.40	24.60	5.61	12.39
36	23.18	25.37	5.84	13.19
37	24.01	26.17	6.08	14.07
38	24.89	27.01	6.33	15.03
39	25.82	27.89	6.62	16.09
40	26.80	28.83	6.96	17.27
41	27.83	29.84	7.34	18.58
42	28.91	30.91	7.77	20.04
43	30.05	32.04	8.27	21.63
44	31.26	33.22	8.81	23.38
45	32.53	34.45	9.42	25.30
46	33.87	35.71	10.12	27.39
47	35.28	37.03	10.95	29.66
48	36.78	38.42	11.91	32.12
49	38.35	39.89	13.03	34.79
50	40.02	41.44	14.28	37.70
51	41.77	43.08	15.61	40.85
52	43.62	44.82	16.98	44.26
53	45.58	46.67	18.40	47.93
54	47.65	48.63	19.86	51.86
55	49.84	50.72	21.31	56.06
56	52.15	52.96	....	....
57	54.59	55.42	....	....
58	57.18	58.17	....	....
59	59.93	61.28	....	....
60	62.84	64.82	....	....
65	80.19	....	....	....

Standard Has New Contract

Standard Life of Pa., has brought out a new plan, the mortgage protector, a combination of \$1,000 ordinary life and \$4,000 decreasing term. This amount is decreased \$200 each year until beginning of the 21st year, when amount of insurance becomes \$1,000. Premiums are level throughout and are not reduced after the 20 year period. Annual premiums are:

Age	20	21	22	23	24	25	26	27	28
20	24.22	29	31.29	38	46.35	47	78.66	....	....
21	24.79	30	32.47	39	48.80	48	82.66	....	....
22	25.39	31	33.75	40	51.55	49	88.92	....	....
23	26.02	32	35.15	41	54.63	50	94.60	....	....
24	26.74	33	36.66	42	58.00	51	100.54	....	....
25	27.52	34	38.35	43	61.65	52	107.18	....	....
26	28.35	35	40.18	44	65.58	53	113.97	....	....
27	29.35	36	42.10	45	69.79	54	121.57	....	....
28	30.22	37	44.14	46	74.03	55	129.31	....	....

Family Income and NSLI

Occidental Life is circularizing producers through its brokerage department in behalf of its family income-type rider which may be issued without a basic policy. This, Occidental states, is particularly appropriate for veterans with National Service Life Insurance inasmuch as there is no family income benefit on NSLI. By combining a

family income-type rider with an NSLI policy, the veteran has a family income program. The rider provides any selected period from date of policy—10 to 50 years. As an example, Occidental Life cites a \$100 a month contract for a 35 year old veteran, for 20 years from date of policy. The monthly premium is \$7.70.

Manhattan Issuing Child's Single Premium Form

Manhattan Life is now considering applications for single premium, 10 to 20 year endowment policies at age 0-9, inclusive (ages 5-9 in New York). The policy when issued will be on the regular adult form with full death benefit from date of issue. Minimum face amount is \$1,000, maximum, \$25,000, or the face amount which a \$20,000 single premium will provide, whichever is smaller. Illustrative single premiums are:

Age At Issue	10 Yr.	15 Yr.	20 Yr.
0	838.14	786.59	745.31
1	839.17	781.43	745.42
2	838.56	780.60	744.45
3	838.23	780.14	743.92
4	838.03	779.86	743.59
5	837.88	779.65	743.37
6	837.75	779.49	743.20
7	837.64	779.37	743.07
8	837.57	779.28	742.97
9	837.51	779.23	742.93

Writes Single Premium Form

Indianapolis Life now is writing single premium whole life down to age 0. Rates for ages 0-9 are: 0, \$297.37; 1, \$299.09; 2, \$301.20; 3, \$304.62; 4, \$308.71; 5, \$313.21; 6, \$318.00; 7, \$323.02; 8, \$328.27; 9, \$333.78.

Alliance Revises Waiver

Alliance Life has revised its waiver of premium disability rider to provide for waiver in event of disability prior to age 55, upon proof of total disability having existed six months with benefit dating back not more than one year prior to receipt of notice of claim. The aviation restrictions of the provision have been eliminated.

Juvenile Benefits Revised

New juvenile policies of Great American Life of Kansas now provide immediate full death benefit after six months of age, where heretofore it has been \$250 per \$1,000.

RECORDS

MIDWEST LIFE—Life insurance issued and revived through August was up 1% over the same period last year. Total in force was up 9% with a rate of gain on business in force of 12%. New A.&H. premiums rose 20% and total A.&H. premiums in force gained 17%.

BUSINESS MEN'S ASSURANCE—September was the largest month this year. Paid life insurance showed an increase of 40%. Increase for the year is 17.8%. Insurance in force passed the \$350 million mark.

MUTUAL BENEFIT LIFE—Paid for business at the end of the third quarter of 1948 was \$165,332,737 as compared to \$146,501,469 for the same period of 1947.

BANKERS LIFE OF IOWA—September paid for totaled \$13,743,620, an increase of \$940,000 over the same month last year. More than \$10 million of this was ordinary and the rest group. Ordinary in force now stands at \$1,142,929,826 while the group in force is \$205,957,435. The increase in total in force over a year ago is \$120,215,319 of which \$71,506,042 represented ordinary.

OCCIDENTAL LIFE—Brought new written volume of ordinary to \$250 million for the first nine months with September production of \$33,066,973. Applications totalling \$252,935,233 thus far this year exceed all of 1946 with three months to go.

September was the second biggest month of written ordinary in its history. Monthly average is more than \$28 million for the first three-quarters.

Buffalo Life Agency Cashiers Assn. held a dinner meeting at which a movie on "Proper Use of the Telephone" was shown.

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Men Who Believe They Have General or District Agency Qualifications May Obtain Full Particulars by Addressing the Agency Department.

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Year	Assets	Capital Surplus	Insurance in Force
1908	5,482	5,482	744,032
1938	1,015,679	302,266	11,741,911
1948	4,969,740	1,417,585	74,653,754

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NEWS OF LIFE ASSOCIATIONS

Illinois Life Men to Gather at Peoria

The program for the three-day gathering of Illinois life men at the Pere Marquette hotel, Peoria, Oct. 28-30, was announced this week by Margaret H. Becker, executive secretary of the state and Peoria associations.

The first event will be the annual conference between N.A.L.U. representatives and Illinois and local association leaders starting at 2 p.m. Oct. 28. This will continue through dinner and be concluded at a session Friday morning.

The Illinois Round Table will hold its annual meeting starting at 12:30 p.m. at a luncheon Oct. 29. John H. Jamison, of Jamison & Phelps, general agents Northwestern Mutual, Chicago, will talk on "Opportunities Unlimited," and Frank C. Toombs, division manager of Research Institute, Springfield, on "Let's Do Some Estate Tax Planning."

In the afternoon will be the general agents and managers meeting beginning at 2 p.m. in which under the general subject of "Agency Management" there will be talks by Raleigh R. Stotz, general agent of Mutual Benefit at Grand Rapids, and James E. Rutherford, vice-president N.A.L.U., New York city. After a cocktail hour at 6 p.m. there will be a testimonial dinner to the N.A.L.U. president, Clifford H. Orr, general agent of National Life of Vermont at Philadelphia.

Sales Congress Program

This will conclude the state gathering but an all-day sales congress will be conducted Saturday. In the morning the program is: John A. Calfa, Prudential, Chicago, on "Blue Print Selling"; Mr. Orr, "Where Do We Go From Here"; and H. P. Gravengard, vice-president, THE NATIONAL UNDERWRITER and editor Diamond Life Bulletins, Cincinnati, "Business Insurance." In the afternoon Louie E. Throgmorton, executive vice-president and agency director Lee National Life, Shreveport, La., will talk on "Manna for Mama" and Harold E. Connelly, a manager of Prudential at Newark, on "Your Future."

Willard A. Guerber, Prudential, is general chairman of the sales congress and James B. Scott, Prudential, vice-chairman. L. O. Schriver, Aetna Life general agent at Peoria, is program chairman; publicity is being handled by R. F. Bierbaum, Mutual Benefit; speakers reception by R. W. Lew, Massachusetts Mutual, and hospitality by E. R. Small, Lincoln National.

132 Nashville Agents

Average \$26,701 Coverage

A survey by the Nashville Life Underwriters Assn. disclosed that the 132 members answering the questionnaire owned an average of \$26,701 of life insurance. Average age is 37, with 10 years life insurance experience.

Those with less than five years in the business averaged 29 years old and had an average of \$16,669 of insurance. Those with five to 10 years experience had \$16,515 and averaged 40 years old. However, those with more than 10

years experience, averaging age 47, had more than \$40,000 insurance on the average.

Notable Speakers Address Ottawa Sales Congress

OTTAWA, CAN.—A notable program was presented at a sales congress here sponsored by the local association and Life Underwriters Assn. of Canada. Speakers included W. J. H. Chitick of Winnipeg, president Canadian association, on "Yesterday, Today and Tomorrow"; William King, Fidelity Mutual, St. Louis, representing American Society of C. L. U., spoke on "Fixing the Problem" and "Finding the Prospect"; David B. Fluegelman, Northwestern Mutual, New York, a life member of the Million Dollar Round Table, on "The Philosophy of Selling," and A. Gordon Nairn, executive vice-president of Life Underwriters Assn. of Canada, whose topics were "A Blueprint for Career Life Underwriting" and "Congress Highlights."

Mr. Nairn said life insurance is one of the greatest businesses in the country, as it has discharged all its promises and obligations 100%. He gave a 12-point plan for success in life insurance. The first objective in such a plan, he said, "would be to build up a permanent clientele." "Security is the most important word in the English language today," he said, "and life insurance is great because it has fulfilled every promise."

In connection with the congress it was brought out that the Canadian association has 70 branches with a combined membership of 6,000, of whom approximately 1,000 have become C. U. S.

Chicago Women Initiate Series of Lectures

A special series of lectures has been prepared by the Women Life Underwriters of Chicago. Men and women are invited to enroll. Classes will be held from 3:30 to 5:30 p.m., in the Equitable building, room 732. The program is:

Nov. 8, Daniel P. Cahill, director insurance marketing institute, Purdue University, "Prospecting Approach and Close"; Nov. 10, Mr. Cahill, "Prospecting Approach and Close"; Nov. 12, J. M. Royer, general agent Penn Mutual, "Time Control"; Nov. 12, Roland D. Hinkle, Equitable Society, "Minor Money"; Nov. 15, Marie C. Stumb, Northwestern Mutual, "Taxes, Federal and State, as They Affect Life Insurance"; Nov. 17, Earl M. Schwemm, manager Great-West Life, "Juvenile Insurance"; Nov. 19, Marie C. Stumb, "Taxes, Federal and State, as They Affect Life Insurance."

Costello at San Antonio Reviews C.L.U. Objectives

The October meeting of San Antonio Assn. of Life Underwriters was under the direction of the C.L.U. chapter there, with Julius A. Stein, president, in charge. Certificates were presented to those who have completed the C.L.U. requirements.

John P. Costello, Southwestern Life,

Dallas, congratulated the holders of the C.L.U. designation on their achievements. He sought to correct an erroneous impression that studying for and achieving the C.L.U. designation has a tendency to put the holder so far on the theoretical side that he is not practical enough to produce a good volume of business. He said that of the 800 who qualified for the Million Dollar Round Table last year, approximately 200 were C.L.U.s.

"Prestige is a must in our business," he said. "You can attain this prestige by satisfactory service over a long period of years or outstanding achievements over a shorter period of time. Not all of you have had the opportunity to have 20 or 25 years background in the life insurance business, but you can take the short route by securing a C.L.U. designation in a few years that would add much to your prestige. Your production will not even fall off while you are studying."

Austin, Tex.—At a meeting under the direction of L. F. Frymire, Great National Life, chairman of the committee on education, J. W. Edgar, superintendent of the Austin city schools, and the principals of the junior high schools were guests. Materials which have been introduced into the public school courses in economics were presented, and the films "Sharing the Dollar" and "Dollars

in Action," which have been used in the schools, were shown.

San Francisco—The Peninsula branch will have an informal dinner for members and their wives Oct. 22 at Woodside.

Durham, N. C.—Dr. Dan M. McGill, recently appointed professor of insurance at University of North Carolina, spoke. He offered to assist in the formation of a C.L.U. class and said he would teach the course and set up the program. A class will be formed within the next few weeks.

Fort Worth—Bert Jaqua, Southern Methodist University, spoke on prestige building.

Columbus, O.—The annual seminar will be held Nov. 19. In addition to an address at noon, there will be three alternating panels, under the direction of Hugh McTeague, Metropolitan; George Patton, Mutual Life, and Robert Lattimer, Massachusetts Mutual. Robert T. Cull, Union Central, is chairman for the seminar.

Roanoke, Va.—Karl G. Gumm, assistant superintendent of agencies of National Life of Vermont, spoke on ways insurance men can build prestige for themselves and their companies, emphasizing "service" as one of the important factors in this endeavor.

Ten new members were received.

Salt Lake City—At the October meeting Prof. El Roy Nelson of University of Utah spoke on "The Future Outlook of Business and Industry in Utah."

President Clifford H. Orr of N.A.L.U.

MULTIPLE PROTECTION POLICIES

March, 1940, the CENTRAL LIFE OF ILLINOIS first introduced its TRIPLE PROTECTION POLICY.*

Since that time the CENTRAL LIFE has made available to its field men the following outstanding Multiple Protection Plans . . .

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*So far as we can ascertain, this was the first TRIPLE PROTECTION POLICY issued by any company.

WANTED

We need an Assistant Medical Director as a result of our phenomenal growth in recent years. Must be under age 35 and have had some special training in internal medicine. Insurance experience desirable. Excellent opportunity. Send photograph and professional qualifications attention Dr. Frederick Fink, Medical Director. All correspondence confidential.

THE FRANKLIN LIFE INSURANCE COMPANY
Springfield, Illinois

will address a state conference on Oct. 25-26.

Milwaukee—Daniel P. Cahill, Purdue University, spoke Oct. 21 on "Planning—Keeping Organized to Do a Full Day's Work Every Day." The new officers, headed by Herbert J. Schwahn, Northwestern Mutual, as president, were installed. The C.L.U. designation was awarded Harold Hilscher, New York Life. E. Lloyd Mallon, Massachusetts Mutual, chairman, announced plans for the L.U.T.C.

Lafayette, Ind.—John Graham has been elected president; Joe B. Longden, vice-president, and A. W. Corbin, secretary.

San Diego—Clifford H. Orr, president of N.A.L.U., was guest of honor at a cocktail party, luncheon and reception, with life general agents and managers, bankers, trust officers, attorneys and city officials in attendance.

He repeated his address on "New Challenges" given at Los Angeles.

Columbus, O.—Benjamin N. Woodson, executive vice president of Commonwealth Life, will speak Friday. That evening he will address Life Managers & General Agents Assn. on "Management's Responsibility Today."

Dodge City—Southwest Kansas—Ralph Cochran, Equitable Society, has taken presidency, succeeding Justin Fortune, who was promoted to manager of Kansas City Life at Wichita.

Pittsburgh—Leroy N. Whitelaw, assistant director in charge of field training of Prudential, spoke at the meeting Thursday.

North Montana—Con Kelleher, Billings, state president, was guest speaker. He reported on the annual meeting of the National association, which he attended as Montana delegate.

Lansing, Mich.—Life insurance is helping appreciably in solving the many complexities of modern life, William B. Minehan of the Northwestern Mutual home office said.

In the past people looked on a life insurance policy as a contract which guaranteed a lump sum payment upon death, he said, but today, outside the life insurance business, their lives have become more complex.

The companies have adapted themselves to conditions and are offering security programs which meet the needs of the average man.

Ron Daman, president of the Lansing association was awarded his C.L.U. diploma.

Niagara Falls—Nile M. Niles, assistant manager at Buffalo of Mutual Life, spoke at the October meeting.

Lawrence, Kan.—Wives and families were entertained at a hamburger fry with 41 present. Mel Daniels, New York Life, president, expressed the hope that the affair would become an annual event.

Wichita—Bert A. Hedges, Business Men's Assurance, immediate past chairman of the general agents and managers section of N.A.L.U., and Don Mitchell, New York Life, vice-president of the Kansas association and past president

of the Wichita association, reported on the St. Louis meeting. Norval Messick, Aetna Life, was presented his C.L.U. certificate.

Oklahoma City—Charles E. Gaines, agency director of Great National Life, speaking on "Values," stressed that life insurance is the only solution of the problem of protection. He said everyone has an outstanding desire to accumulate an estate, but that death, disability, and time are vital enemies working against achieving it.

In his report on the N.A.L.U. convention at St. Louis, Harvey Kemp, national committeeman, accented sales ideas from the Million Dollar Round Table.

Freeport, Ill.—Robert J. Schmelzle, attorney, discussed estate planning and tax laws. Membership increased 25% in the past two months.

CHANGES

Nolley Retiring; Goldman Successor

W. Tolar Nolley, for 50 years with Northwestern Mutual Life, as general

agent at Richmond Va., for 31 years, will retire Nov. 30 and be succeeded by Howard D. Goldman, a special agent in the Richmond agency.

Mr. Nolley began in life insurance at Baltimore in 1898 with the Laurence Miller general agency for Northwestern Mutual, and is one of the company's deans.

He went to Richmond in 1917 to become a member of the Aunspaugh, Nolley & Aunspaugh agency, succeeding as sole general agent May 1, 1925. He has maintained the company's leadership in the state and his agency recently won its sixth "All-Southern Feud" contest conducted annually among Northwestern general agencies in four neighboring southern states.

Goldman's Broad Background

Mr. Goldman is well qualified to take over general agency duties, being a graduate of University of Virginia, where he won Phi Beta Kappa, and having taught economics and life insurance subjects at the university. He is a C.L.U. and a graduate of L.I.A.M.A. school.

A large personal producer, he has

been particularly successful in estate planning, tax and programming work, and his production in Northwestern totals over \$10 million. For the last six years he has qualified for the Million Dollar Round Table and he already has completed his production qualifications for 1949.

Mr. Goldman has been president of the Richmond Assn. of Life Underwriters and the C.L.U. chapter. He has spoken before many local and state life insurance organizations and Northwestern regional and national agency meetings.

Mutual, N. Y., Designates Sumner Toronto Manager

Mutual Life of New York will establish a new managing agency in Toronto on Nov. 1, with Len W. Sumner as manager.

Mr. Sumner is a Canadian and has been with Mutual Life since last February. He started with Excelsior Life in 1933 and was advanced to branch manager two years later. In 1937 he was made agency department assistant and from 1942 to 1948 he was superintendent of agencies.

He is a C. L. U. and a member of the advisory council of the agency officers section of the Canadian Life Officers Assn.



L. W. Sumner

Cook Goes to Kansas City as Manager for Travelers

Clarence C. Cook, assistant superintendent of agencies of Travelers, is now manager at Kansas City.

Mr. Cook joined Travelers in 1925 as field assistant in Cedar Rapids. In 1926 he went to Peoria as assistant manager. In 1929 he was transferred to New York and became assistant manager, and then special salary allotment representative, going to the home office in 1938.

Bankers, Ia., Raises Casey

Bankers Life of Iowa has named W. Frank Casey regional group manager at Denver. Mr. Casey has been with the company since organization of the group department in 1941. He aided in the establishment of its sales operations and has been supervisor in the home office territory. His group experience included 10 years with Connecticut General and Provident L. & A.

Group Supervisors

William W. Van Horn and Russell H. Swisher, whose appointments by



R. H. Swisher



W. W. Van Horn

Massachusetts Mutual as group supervisors in New York City and Buffalo, respectively, were reported in last week's issue, have had considerable experience in the group field, Mr. Van Horn having been with Travelers and Mr. Swisher with Aetna Life. Mr. Van Horn is a graduate of Cornell and Mr. Swisher is an alumnus of Bucknell.

Offers Answer for Problem of Simultaneous Deaths

Simultaneous or almost simultaneous death of the insured and his wife presents a problem in the case of an installment running for life with or without a guaranteed income period, Lelia E. Thompson, counsel of Connecticut Mutual Life, points out in the October issue of "ConMuTopics." If the wife lives long enough to receive only one installment and then dies there is a considerable loss to the contingent beneficiaries. She states that in such cases a fair arrangement can be offered by providing that in the event of the death of the first beneficiary within 30 days after the insured's death, any payments made to the wife will be deducted from the policy proceeds and the balance of the policy proceeds will be paid in full to the contingent beneficiaries.

Miss Thompson says that any attempt to anticipate common disaster situations except through a testamentary trust or a deferred settlement is likely to prove futile because deferment of single sum settlements for a specified period of days may fail of its purpose by a few hours.

A deferred settlement agreement which covers the wife and children successively is sufficient to take care of the contingency of simultaneous or almost simultaneous death of the insured and his wife, says Miss Thompson, for if the wife lives only a few days after the husband it is apparent that any further payments under the agreement will go to the contingent beneficiaries. The only precaution that need be taken is to see that the provision in the agreement for automatic termination does not become effective on the death of the wife. This should not present a serious problem, for many companies now treat their agreements as though they were changes in beneficiaries and give effect to contingent designations even though they call for a single sum payment in the event that the life beneficiary is not living.

New Company in Texas

United Federal Life of Austin has been licensed with capital of \$30,000 and net surplus of \$7,500. It writes a polio and accidental death policy, family group polio indemnity and what is termed "home site protector," the latter being a life insurance policy. E. G. Kingsbery is president; Raymond Brown, vice-president and Vernon N. Ferguson, secretary. Among the directors are Joe Carrington, Sr., attorney-in-fact of Highway Insurance Underwriters, and John D. Reed of Southwestern Insurance agency.

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Leaflets Cut Complaints About Reduced Dividends

Leaflets used as envelope stuffers with premium notices have proven to be a highly effective method of reducing the number of queries from policyholders who want to know why the dividends on their old policies are so much lower than formerly. Besides lessening the correspondence burden these leaflets have the advantage of answering the numerous policyholders who would not write to the company but who would nevertheless continue to be irked by their reduced dividends if they did not receive an explanation of the underlying reasons.

Twenty years ago the life companies had their huge backlog of assets in securities yielding an average 5% interest. Management then thought it would take a long time to bring down that average to a substantially lower average yield. But in only 20 years it has come down to around 3%. The securities were refunded at a lower interest rate.

The older policy in most cases guarantees a return on proceeds based on an interest assumption higher than has been or is being earned. Under these circumstances, there is a deficit from interest earnings, not a plus.

Suppose the older policy is based on an interest assumption of 3%. When the company wrote the policy in 1930, say, it may have been earning 4.5% on invested assets. Consequently, the holder of the 3% policy received a 1.5 point margin. The interest return went down to 4%, and only one point could be contributed to dividend from excess interest. Then the margin went down to half a point, and then to zero or less.

If the contract were 3½%, today there is a substantial deficit.

There may be savings from mortality

on older policies, and if any dividends are being paid on the older contract this must be the source of the money. The saving must be enough, which it often is not, to offset the loss on interest. As a policy reaches maturity the risk decreases and mortality offers a declining opportunity to realize savings for dividends.

The sharp rise in expenses has been a phenomenon of recent years, and has been so marked that on older policies, where the expense was projected years ago, the estimated may now be exceeded by the actual expenses being paid out for that policy's share of costs and thus create another deficit. On a paid-up policy there is no premium and no contribution at all to expenses. Whatever expenses there are constitute a charge against the policy.

The companies may need to draw on surplus also to reserve for the more favorable settlement options in the older policies. More and more persons are taking the settlement options because of the higher interest guaranteed. Of necessity the company must set aside extra reserves to meet this liability, which again decreases the possibility of dividends.

Shift in Interest Trend

The trend of interest rates is upward, and this is encouraging to investment men because for so many years it has been moving in the other direction. However, a company with billions invested can't turn it into higher yield securities at once, to take advantage of a better yield. This can be done only gradually and the effect secured slowly.

Capital gains are no longer providing important profits for the life companies. The period of readjustment, the refinancing for lower interest, is now over. In that process, the life companies did realize a profit in the form of premiums on the sale of high yield items. However, the "profit" was not all gravy because when a company sold a 4% security at a premium it had to place its money back into investments with a lower yield.

In general, privately placed securities these days bear a higher interest return. Most of the money going into them is new money and not the returns from the sale of government bonds or other securities, life men say.

Why Premiums Are Higher

Many people have the idea that inasmuch as companies were going to a more realistic mortality table, premiums would be lower. Actually, they are higher because of rising expenses and lower interest returns. A company may have had to increase its premiums under CSO to get something near the same dividend that it has been paying in the past. For the companies that pay a first year dividend, it comes from surplus. Most of the larger companies do not pay a first year dividend but regard the first year as term business and from there on as ordinary.

The tendency in the business is toward a larger unit size policy, and life company people have regarded this trend with great favor because it offset rising costs. Actually, the average size, overall, has increased only slightly, so that there has not yet been a material offsetting of costs in this respect. It costs just as much to put a \$1,000 policy on the books and handle as it does a \$10,000 policy. A plan of insurance averaging \$2,000 face amount, if the company could raise this to \$4,000 would cut costs per dollar of premium in half. This is regarded as about the only bright spot in the expense picture.

It is too early to tell what the trend will be in respect to the payment of dividends for 1949, although Northwestern Mutual has announced a reduction. Dividend action is taken by directors,

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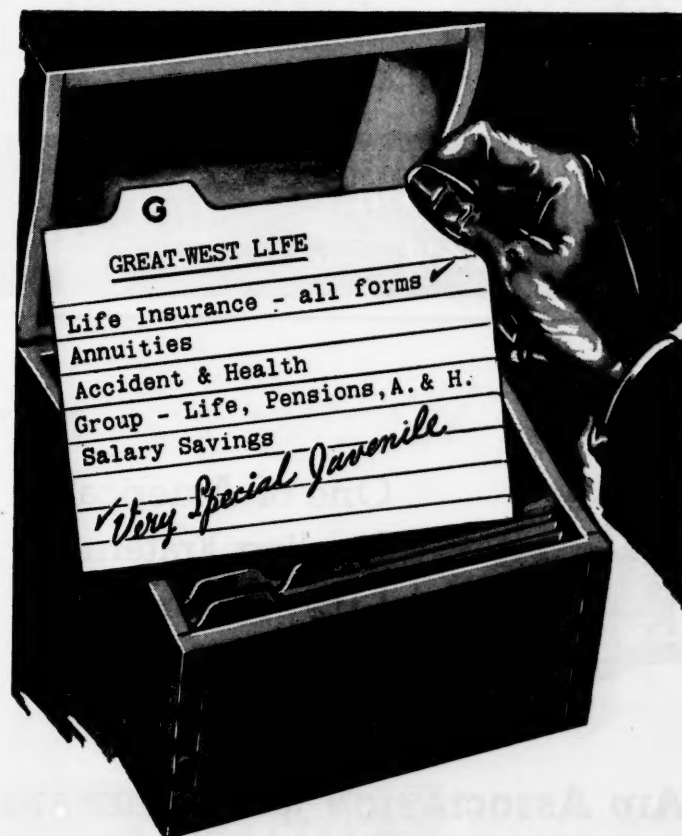
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GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE-WINNIPEG, CANADA

A Billion Dollar Company Established 1891

and there is little disposition among the technical men in companies to forecast dividends until the action is consummated. The feeling seems to be, however, that there should be no considerable fluctuation from 1948 since many companies already had reduced dividends to what they regarded as a reasonably realistic level.

Charles Geiss has been appointed district manager for Franklin Life at Merrill, Wis., with offices at 504 Scott street. His local agency, operated in

association with Elaine Geiss, has changed its name from Loyalty Insurance Agency to Geiss Insurance Agency.

Prepaid Medical Plan Target of Anti-Trust Suit

WASHINGTON—Attorney General Clark announces filing of a civil anti-trust suit at Portland, Ore., against Oregon State Medical Society, Oregon Physicians Service, eight county medi-

cal societies and eight individual doctors. It charges they have conspired to monopolize prepaid medical care in Oregon and "deprive the public of opportunity to acquire prepaid medical care insurance" from others than themselves, Clark said.

Oregon Physicians Service, non-profit corporation sponsored by the state medical society, reportedly provides medical, surgical and hospital insurance for \$3.50 monthly, up to a family rate of \$8.10 monthly. About 105,000 allegedly subscribe to the plan, with which 90% of Oregon physicians are affiliated.

Much Insurance Kept in Force by Disability Benefits

Approximately half a billion dollars worth of life insurance was kept in force last year under waiver of premium provisions according to the Institute of Life Insurance.

The premium payments waived for disabled policyholders in 1947 totaled \$17,029,000. In addition, \$74,835,000 was paid as disability income benefits, bringing to \$91,864,000 the total of disability benefits. In the first half of this year these benefits ran slightly greater than in the corresponding period of last year.

An increase in purchases of policies with disability provisions was indicated by the rise in first year premiums paid, which were up 10% last year from the previous year and were two and one-half times the total five years ago.

Marital Deduction Boosts Ill. Estate Tax Liability

As the federal estate tax is reduced by the marital deduction the Illinois inheritance tax becomes increasingly a factor in estates, and life insurance is the best answer to this situation, Anderson A. Owen, Chicago lawyer, told the Chicago Life Insurance & Trust Council.

The Illinois law permits a credit against the inheritance tax up to 80% of the basic federal estate tax. The basic federal tax is much smaller than the total federal estate tax but in larger estates the 80% exemption was usually enough to take care of the entire Illinois tax before the marital deduction came into the picture.

Life insurance is particularly helpful in adding to an estate in such a way that the Illinois inheritance tax is not increased, said Mr. Owen, for it can be made eligible for the marital deduction by giving power of appointment to the wife but is not subject to the Illinois tax if the wife refrains from exercising the power. Life insurance is not subject to the Illinois tax provided it is made payable to someone other than the insured's estate.

Bankers L.&C. Ups Weinberg

Bankers Life & Casualty has promoted Al Weinberg to assistant agency director. He was formerly with Northwestern Mutual, which Bankers L. & C. absorbed. Because he rapidly proved his ability at training new agents he was appointed acting manager and soon was appointed manager on a full-time basis at the Chicago branch.

McClung Goes to Coast

John R. McClung has left the Askew & McClung agency of Aetna Life at Topeka and has moved to San Jose, Cal., where he will continue with the Aetna as a personal producer.

Ruth M. Kelley, general agent for Manhattan Life in Detroit, was elected last week to the advisory committee of Life Institute of America and also became co-chairman of the Leaders Club of the state of Michigan.

William A. Baker, general agent for Massachusetts Mutual in Albany, N. Y., from 1920 to 1944, died after a brief illness. He joined the company at Albany in 1900, serving as cashier until his appointment as general agent.

Mrs. Catherine O'Donnell, a supreme trustee of Ladies Catholic Benevolent, Columbus, died at Harvey Lake, Pa., from a heart attack after a month's illness. She had been recuperating at the family's summer home. Mrs. O'Donnell was born in Girardville, O. She was prominent in L. C. B. for over 50 years.

Complete List of LIAMA Speakers Is Announced

The final day's session of the L. I. A. M. A. annual meeting at the Edgewater Beach hotel, Chicago, Nov. 10-12, will have as speakers Raymond Rodgers, professor of banking at New York University and widely known as an author and speaker, who will open the morning session with a talk on "Economic Trends And Their Effect On Life Insurance," and J. Gerald Godsoe, executive vice-president, British American Oil Co., Toronto, whose subject will be "Business Faces A Challenge." Mr. Godsoe was at one time in the life insurance business.

Rounding out the morning session will be Harold J. Cummings, president of Minnesota Mutual Life. Mr. Cummings at one time directed his company's field forces as vice-president. He will speak on a selling theme.

The meeting will be adjourned shortly after noon.

A. & H. Session in Afternoon

In the afternoon, the A. & H. committee under the chairmanship of R. H. Belknap, vice-president of Occidental Life, will conduct a three-hour session. The meeting will be devoted to discussions of current problems in the A. & H. field.

L. I. A. M. A. President Dudley Dowell, who is vice-president of New York Life, will preside at the final session. More than 500 top agency officers and other life insurance executives are expected at the three-day meeting.

The program for the first two days, announced previously, includes Thomas I. Parkinson, president Equitable Society; John O. Todd, general agent Northwestern Mutual, Chicago; W. Rankin Furey, vice-president Berkshire Life; H. Bruce Palmer, vice-president Mutual Benefit Life; and an institutional forum under the direction of Charles J. Zimmerman, associate managing director of L. I. A. M. A.

Form Quarter-Century Club at Conn. Mutual

Veteran employees of Connecticut Mutual formed a Quarter Century Club at a dinner at the Hartford Club. Present were 84 employees with 25 years or more of service, who became charter members of the club. Peter M. Fraser, company president, who has been with Connecticut Mutual since 1918, was toastmaster.

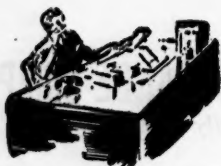
William G. Henderson, underwriting department, 46 years; Herman Wahlberg, building superintendent, 46 years; Henry I. B. Rice, vice-president and actuary, 43 years; Harold F. Larkin, vice-president, 42 years; and Harvey Goodwin, cashier, 41 years, have the longest service records.

Manhattan Enters Indiana

Manhattan Life has entered Indiana. It is the third state to which the company has been admitted in little over a year, others being Washington and Oregon.

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AID ASSOCIATION for LUTHERANS
APPLETON, WISCONSIN

Extraterritorial Discrimination Issue

(CONTINUED FROM PAGE 1)

the basis for comparison of "basic rates" for ordinary group disability insurance and that which is charged for UCD coverage. The latter has many idiosyncrasies. Had the New York department alleged that writing UCD business in New Jersey at low rates would jeopardize the solvency of an insurer operating in New York, that would have been an entirely different question. The issue that has been injected of extraterritorial application of the anti-discrimination law on insurance rates is believed to have far-reaching implication. If such a principle becomes established in respect of group A. & H. insurance, it could very well be extended to other lines. If actual rate regulation should be enacted in the states for A. & H. insurance, it would mean that the rate structure would have to be on a national basis, and if it were extended into other lines, it would raise some very interesting questions in connection with rates that vary from state to state. For instance, there have been states that have been a year or two behind the procession in approving increased automobile insurance rates. A state had had approved rate increases promptly might conceivably charge that its citizens were being discriminated against because increased rates were not being charged in some other state.

Effect on Competition

Another line of conjecture is concerning how the insurance companies might fare in competition with state funds under UCD laws if they were compelled to maintain a rate level that was keyed to uniform national group disability tariff. These UCD laws all have variances and peculiarities of their own and the rates will have to be related to those of the state fund if the insurance companies are going to get any major share of the business. If the New York department position prevails, it will mean that a company will have to rationalize what it does in one state with its entire national program and this could conceivably cause a degree of inflexibility that would either militate against the insurance companies' successfully competing for UCD business or if they should get the business at rates that proved redundant, it could cause a swing to the monopolistic state fund idea. Another question that is raised is that of how important the so-called "basic rates" are in group disability insurance. The group business is extremely competitive and in most cases there is an experience factor that provides a great deal of flexibility.

There is some surmise that the New York stand might not be unwelcome to the insurers in New Jersey, because there have been developments in the latter state that might lead to a rate war.

Background of Ruling

The ruling grew out of a rate cut in the cash sickness benefit coverage field. One company reduced the basic rates 15%. The competition was met at least in part by another larger writer of this type of business, and then a third company met the first company's reductions in full. At that point the New York department became aware of what was going on and called a meeting at Albany, which was attended by representatives of most of those companies that write the line.

The department appears to have based its action principally on the authority given it in section 209 of the New York insurance law, which defines and provides for discrimination in A. & H. insurance. One point covered by statute is that there shall be no unfair discrimination between risks of like class.

Section 273 also is mentioned. That deals with unfair methods of competition.

Presumably the department is not so

much concerned about specific protection of New York insured against discrimination in favor of employers in other states, in this case California and New Jersey, but is anxious to prevent an undignified scramble for business. It also doesn't believe, apparently, that there is enough underwriting fat in this kind of disability business to justify anything like a 15% reduction in rate.

As a matter of fact, observers in the company field regard the group A. & H. margin as thin. However, the Harris ruling was received unfavorably. One criticism was that the effect of the department's reaching out to discipline and guide the business in other states in the interests of an avowed desire for uniformity would tend to have the effect of reducing any chance for experimentation.

N. Y. Federation Lunch

The annual luncheon of Insurance Federation of New York will be held Dec. 1 in the Commodore Hotel. Robert V. Branion, Zurich, is chairman.

Name McLaughlin, Brock

Massachusetts Bonding, represented by Stephen McLaughlin, and Great-West Life, represented by E. R. Brock, were elected to the governing committee of Bureau of A. & H. Underwriters.

Urgency in N. J.

H. G. Hoffman, director of the New Jersey unemployment compensation commission, this week urged employers who intend to use private insurance to cover workers under the cash sickness law that becomes effective Jan. 1 to apply to the commission immediately for application forms. The plans must be processed by Dec. 31.

Lloyd S. Barnett, renewal service department employee of Pilot Life, made the highest score of those taking the annual Insurance Institute of America examination this year. For his 96% score he was awarded the Edward Rochie Hardy prize, a \$25 savings bond, as the most distinguished graduate.

Vincent W. Sinclair has been named district manager of Prudential in Pawtucket. He has been manager at Taunton.

Continental Is Now Billionaire

(CONTINUED FROM PAGE 3)

insurance now being sold will leave its mark for a century, through the lifetime of the assured and the lives of beneficiaries. He said that the agent is performing a great service in getting the people to part with dollars that they can get along without so that they can come back when those dollars cannot be spared. He said that the management of Continental Assurance believes in a margin of safety.

Mr. Tuchbreiter introduced Mr. Brown and the directors. He spoke with especial appreciation of the board. He said Continental believes that there is no finer investment portfolio in the country than what it possesses. There is a rule that any investment that fails to meet the approval of any one director is discarded. There is no security that is in default.

Other Dignitaries Present

In addition to those at the head table there were a number of other dignitaries at the banquet including Commissioner Pearson of Indiana, Arthur Bidwill, chairman of the Illinois senate insurance committee and Ben Rhodes, chairman of the house insurance committee. Mayor Kennelley of Chicago was present for the cocktail hour.

Continental Assurance reached the billion mark in its 38th year of operation. Actual volume in force stood at \$1,025,984,768 on the close of business Sept. 30.

No Mergers or Reinsurance

Mr. Tuchbreiter emphasized that the volume stands as an undivided Continental achievement. Every dollar of it was written by Continental agents; every policy underwritten by Continental's own underwriting staff. There have been no mergers, no reinsurance.

A spectacular display in the convention hall served to dramatize Continental's rapid growth toward a billion, a continuous and unbroken record of growth each and every year since inception. Volume in force stood at a quarter billion in 1939, reached a half billion in 1945. Company facilities have been steadily expanded through the years, juvenile policies in 1927, group insurance in 1931, participating forms of policies in 1937. At the same time, the number of states in which it operates has increased steadily, presently standing at 41.

FRATERNALS

Benz Tells of Growth

OMAHA—Families in the U. S. have added \$45 billion in life insurance protection since the war, Alex O. Benz, president of Aid Association for Lutherans, Appleton, Wis., declared at a meeting. The amount of life insurance owned per family has increased from \$600 in 1900 to \$4,800, he said.

K. of C. Kan. Forces Meet

Knights of Columbus insurance department held a roundup of Kansas general agents and field agents at Manhattan attended by Superintendent Leo F. Craig of New Haven, Conn. General Agents Gus Ley of Kansas City and Walter Clemens of Salina, together with Field Agents Harry Neff, Fort Scott; James O'Neil, Topeka; Ernest Tjachman, Wichita; J. T. Brock, Ellis; Leo Schawe, Windhorst, and Harry Wessel, Oakley, attended. A plan of juvenile insurance for sons of members from baptism to age 18 was presented. All members under 26 are required to participate in the insurance plan.

Lutheran Brotherhood Agcy. Rally

Three agencies of Lutheran Brotherhood last week sponsored a meeting at Reading, Pa., with about 40 attending. Mrs. J. H. Boyer, eastern manager, gave the address of welcome and the program included a symposium on a career in life underwriting which covered prospecting, work habits, records, prestige building, and personal finance.

J. G. Ray, secretary Modern Woodmen, Rock Island, Ill., is at Mayo's in Rochester, Minn., under observation. He has been ailing for some weeks.

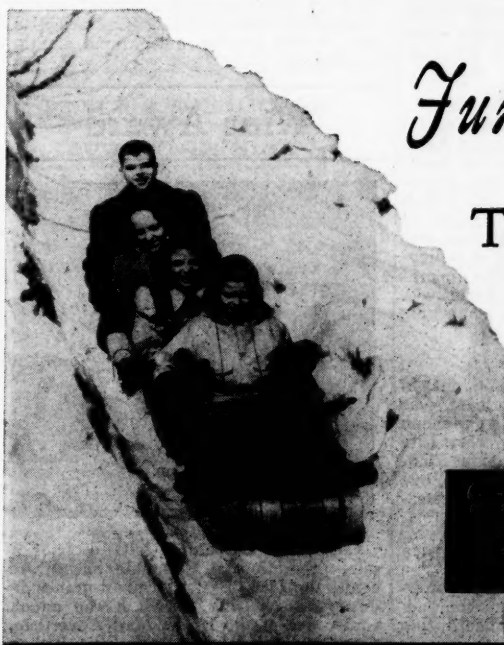
A. O. W. of Washington has been licensed in Oregon.

Robert E. Daisey, assistant general agent for Penn Mutual at the Angert agency in Cincinnati, has gone with Insurance Research & Review. Mr. Daisey went to the Cincinnati agency in 1937 from the home office agency. He instructed C.L.U. classes at the University of Cincinnati.

James M. Large, president of the Tradesmen's National Bank, has been elected to the board of Fidelity Mutual.

Fun... without Fear

TOBOGGAN RIDING is a thrilling winter sport. It affords fun for the whole family. Nobody enjoys a ride on the "Financial Toboggan." Too many have suffered from downward plunge of family fortune. Life insurance is the best protector of estates. It also provides living income to dependents and pensions for the aged.



Attractive Territories
and Sales Opportunities
are available.

5057 WOODWARD AVENUE • DETROIT 2, MICHIGAN

Chapman Tells Eight Points for Agent to Watch

Life agents are operating under a new set of rules—there have been many changes in the way of life in this country, L. W. S. Chapman of L.I.A.M.A. declared in talks at the three regional meetings of the Chicago Assn. of Life Underwriters this week. Selling life insurance used to be merely selling indemnification for expenses caused by premature death, but with changes in cost of living, the people's living habits, etc., the agent has come to be also a counselor; he is expected to serve the policyholders' needs, programming insurance and arranging it for business, tax and many other purposes.

Mr. Chapman set forth eight things

which he feels the modern agent should do. He must put his house in order; step up prospecting efficiency; talk results, not policies; for the people want emotional and intellectual as well as financial security.

He must increase his selling activity; build up a great reservoir of enthusiasm for life insurance and exercise self-discipline. The agent also should try to raise his efficiency index in terms of prospecting, selling, work habits, debit management and mental attitude; he should remember the value of being prepared.

Leitman Gives Sales Tips

CINCINNATI — Rudolph Leitman, million dollar producer for New York Life at Detroit, reported to the Cincinnati association that his income jumped when he started to have his secretary make his service calls. He commented that much valuable time is lost on these calls and a secretary may be trained to make them effectively. A \$100,000 producer can't afford a secretary, but five of them can band together and hire one, he commented. Mr. Leitman said there is nothing in the kit of the million dollar producer that the average agent doesn't have. He advocated using the voice to show emotions when talking about the prospect and his family.

W. A. Spiker, manager of New York Life, introduced the speaker and as secretary-treasurer of the C.L.U. chapter, awarded the designation to Marshall Ostner, group supervisor for John Hancock. W. P. Shields, Connecticut Mutual, was named election committee chairman and J. H. Grosman, Union Central, reported on community chest activities.

Speckman Heads LIC Group

E. H. Speckman, Jr., manager of the ordinary department of Kentucky Central Life & Accident, has been appointed chairman of the statistics committee of the Life Insurers Conference, succeeding Basil L. DeWitt, who resigned as vice-president of Peninsular Life to become president of National Standard of Orlando.

Mr. Speckman has served on the committee since its appointment at the beginning of this administrative year.

Win L.O.M.A. Awards

Six Union Central home office employees passed the 1948 examinations of Life Office Management Assn. Institute. They are William J. Fritsch, manager underwriting division, who received the institute's fellowship key and diploma; Ruth Seeger, George Hipshire (cum laude), Johanna Carroll (honorable mention); Ferd J. Ries, and Jane B. Ramsey.

Ponder Tax Revisions

The joint committee on the federal tax program of the Life Insurance Assn. of America and the American Life Convention has been studying the provisions of the tax code revision bill, which was introduced in the last session of Congress and passed by the House, and which would affect the rights of policyholders. The committee is now formulating recommendations. Charles G. Taylor, Metropolitan Life, is chairman.

Spencer Speaks in N. J.

Clarence Spencer, general agent in Trenton, N. J., of Manhattan Life, was the principal speaker there at a luncheon meeting of the Central New Jersey Life Underwriters Assn., on "Pension Planning and Associated Employer-Employee Problems." About 50 attended. A question and answer session followed.

Mutual Trust Plans Schools

Mutual Trust Life plans four intermediate schools for agents and four advanced schools at the home office during 1949. The third intermediate course for this year has just been completed with 15 men graduating.

E. F. Wright Joins Hancock as Executive Assistant

Edmond F. Wright of Cambridge has joined the John Hancock as executive assistant. He recently resigned his post as special assistant to the chairman of the national security resources board. His work will be in the field of client relationships. For 10 years following his graduation from Harvard and Harvard business school he was assistant dean of the business school and later was with E. F. Hutton & Co., Jackson & Curtis, and McKinsey & Co.

Protective Appoints General Agents in Three Cities

Protective Life of Birmingham has named as general agents Henry A. Hinsch at Dallas; Joseph L. Walders at Amarillo and J. B. Nugent at Nashville. They are all experienced in life insurance. Mr. Hinsch is a native of Brooklyn and attended the University of Maryland. Mr. Nugent is a native of Nashville and Mr. Walders has been a civic affairs leader in Amarillo.

Great Northern Names Two at Grand Rapids

Loren Hansen and Henry Haveman have been appointed regional managers for Great Northern of Chicago at Grand Rapids. Both were formerly with Monumental Life at Grand Rapids as assistant managers.

Mr. Hansen, before going into life insurance, was with National Dairy Corp. as salesman and plant superintendent. He later had charge of production at a Nehi Beverage Co. plant and then went into the peanut butter business.

Mr. Haveman has a background of sales work, having spent several years in selling after having been in the meat packing business.

Goldman in Second Spot

The Goldman agency of Prudential's ordinary department, Chicago, for the first nine months was second country-wide in net increase of new business, being passed only by the Newark agency. A. W. Mattensen of the Goldman agency was No. 2 producer nationally for the period and is on his way to qualify a third time for the Million Dollar Round Table, for which he qualified in 1946 and 1947.

The agency, managed for many years by A. Van Goldman, has qualified 17 men for the company's annual agents conference Nov. 18-20 at Los Angeles, one of the largest delegations in the country.

Wins Award



Charles R. Corcoran, (left) director of sales promotion of Equitable Society, receives the 1948 "Best of Life Insurance Industry" advertising award at the annual conference of the Direct Mail Advertising Assn. in Philadelphia from Ellis Bishop, advertising manager Royal Typewriter Co., chairman of the judges committee.

Tributes Paid to Alexander Patterson

The October issue of "Points", publication of Mutual Life, is a tribute to the late president of the company, Alexander E. Patterson. The issue is beautifully done and covers Mr. Patterson's career, tributes from Lewis W. Douglas, ambassador to Great Britain and former president of the company, and leaders in the business, and the last report of Mutual Life operations made by Mr. Patterson to the field force. Extra copies of the issue are available at the public relations division of Mutual Life.

NEW YORK—Directors of Life Insurance Assn. of America adopted a memorial on Alexander E. Patterson, president of Mutual Life who died Sept. 10. Besides reviewing Mr. Patterson's 40-year career in life insurance, the resolution pays tribute to his constant efforts to advance the broad interests of the business as a whole and goes on to state: "Broad human sympathies and a rare genius for friendship endeared Mr. Patterson to all who knew him. These qualities were enhanced by his dynamic energy and were reflected abundantly in the contacts which came to him in carrying on the work of his company and the institution of life insurance."

W. J. Cleaver Named Actuary of Peoples Life, Indiana

Peoples Life of Indiana has appointed William J. Cleaver as actuary, succeeding Harold W. Smith, who has been elected treasurer. Mr. Cleaver has been with Standard Life of Indiana since 1941 and before that was with State Life of Indiana. He is a graduate in actuarial science of University of Iowa. He has been with Peoples Life since Sept. 1. He served in the European theater during the war with a field finance disbursing section.

Named by Standard at L. A.

Standard of Oregon has appointed the W. J. Hollingsworth agency as general agent at Los Angeles, with Chris A. Clark as manager of the new life insurance department. The agency was organized in 1890. Mr. Clark has had long experience in life insurance and before that was in sales work with Bell Telephone Co. and National Cash Register Co.

Stumm's Agency Gathering

B. J. Stumm, general agent of Northwestern Mutual Life at Aurora, Ill., for two days this week conducted in Chicago an educational conference of his agents. This is a regular affair in the fall. He also holds a similar gathering at Chicago during the annual meeting of the Illinois Assn. of Life Underwriters. T. A. Lauer of Joliet, past president Illinois association, attended the meeting this week.

D. L. Mood Named Manager

Dwight L. Mood has been named manager at Fort Wayne by the Lafayette Life, replacing B. Wallace Mills, who has been transferred to Lincoln as field supervisor for Nebraska. Mr. Mood has been midwestern field supervisor for the company during the past three years.

H. L. Hill Supervisor

Loyal Protective Life has appointed Harry L. Hill field supervisor in New Jersey, Pennsylvania, New York, Maryland and Delaware.

Earl F. Clark of the South Bend agency of Minnesota Mutual Life, has been promoted to district supervisor for Elkhart and LaGrange counties, working out of LaGrange.

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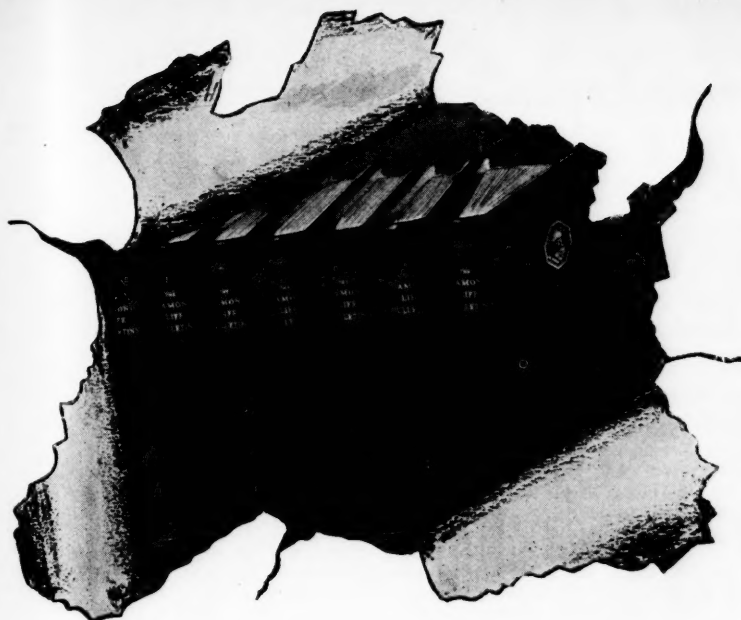
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D. L. B. will pay its way

the cost is little

Subscription rate: \$4.00 a month the first year
and \$2.50 a month thereafter.

the return is large

It is cheaper to spend time and money now
to stay in high production than it will be to
pull yourself out of a slump later on.

High income taxes, low return on invest-
ments, increasing recognition of its unique
investment and protection values have made
the sale of Life Insurance easier in the last
three or four years. But, while these situations
are likely to continue, large-scale production
can not be automatically rationed in the fu-
ture without continuous training and greater
emphasis on selling skills.

The Diamond Life Bulletins Salesmanship
Section is the perfect answer to these prob-
lems every Life Underwriter will face!

THE DIAMOND LIFE BULLETINS

A NATIONAL UNDERWRITER PUBLICATION

420 East Fourth Street

Cincinnati 2, Ohio

Fifty-Fifth Year of Dependable Service

★ The State Life Insurance Com-
pany has paid \$163,000,000 to
Policyowners and Beneficiaries
since organization September 5,
1894 . . . The Company also holds
over \$70,000,000 in Assets for
their benefit . . . Policies in force
number 102,000 and Insurance in
force is over \$206,000,000 . . . The
State Life offers General Agency
Opportunities — with liberal con-
tract, and up-to-date training and
service facilities — for those quali-
fied.



THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana



MUTUAL LEGAL RESERVE FOUNDED 1894

LANDMARKS of DISTINCTION



ATLANTIC LIFE INSURANCE COMPANY

Organized 1899

RICHMOND, VIRGINIA

[Lighthouses at Cape Henry, Virginia —
the old one being first established by the
United States Government on the Atlantic
Seaboard.]

Directing the Way Toward Financial
Security Since the Turn of the Century

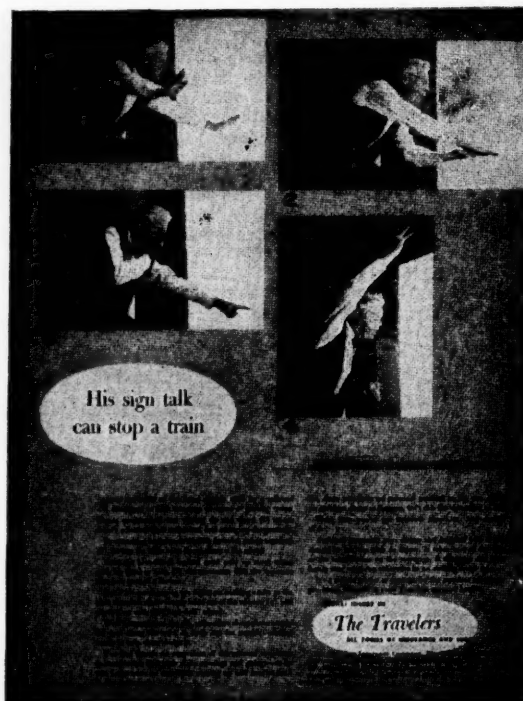
This article appeared in Advertising Age

The Creative Man's Corner

What many advertisers overlook in their advertising is the importance of respect. They concentrate on packing the space or the time they buy with what they glibly refer to as "sell." But few salesmen ever make a sale without first selling themselves—without first winning the confidence and respect of their prospects.

Especially in fields where the products or services offered have little to offer competitively, one over the other, the winning of respect is of paramount importance. Given a product with pronounced advantages, you need do little more than call attention to those advantages to make a sale—but given one with no such pronounced advantages, you've got to win respect to make your sale.

In the opinion of this hard-bitten correspondent, few advertising campaigns have done this hard-to-do job so suc-

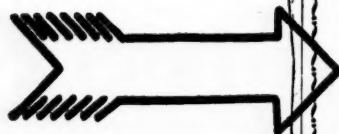


cessfully as the campaign done by Young & Rubicam for the Travelers Insurance Co.

This campaign has been running for more years than the Corner likes to remember. Yet every advertisement appears as fresh and interesting as if it were among the first to be produced. In a field where the cliché is more often the rule than the exception, this is a notable accomplishment.

Of greater importance than this, however, in this Corner's opinion, is the fact that every Travelers' advertisement—in its approach, its writing and its tasteful treatment—builds a respect for the company that all its agents must surely cherish.

To the Travelers this week—and its agency, Young & Rubicam—the Corner awards one of its rarely given floral horseshoes. No thank-you note is necessary. The campaign speaks for itself.



the feed bag market. Three di- Bill- to Spencer